
**Central Government
Supply Estimates 2007-08
Spring Supplementary Estimates**

February 2008



HM TREASURY

**Central Government
Supply Estimates 2007-08
Spring Supplementary Estimates**

for the year ending 31 March 2008

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TREASURY CHAMBERS
19 February 2008

JANE KENNEDY

Section 1.

Introduction

1. Supply Estimates are the means by which the Government seeks from Parliament sufficient funds and parliamentary authority for the bulk of departmental expenditure each year. A full description of Supply Estimates was included in the *Main Estimates (HC 438)* presented to Parliament on 30 April 2007.

Supplementary, New and Revised Estimates

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

Total Estimates to Date

3. For the current year, Main Estimates for each department were presented to Parliament on 30 April 2007 and winter Supplementary Estimates were presented on 15 November 2007.

4. The spring Supplementary Estimates presented to Parliament in this and any related booklets increase resources by **£16,257,130,000** to **£452,340,000,000** and cash by **£7,563,896,000** to **£409,090,270,000**.

Table 1.1 Expenditure within the main control aggregates		£ million
	Resources	Capital
Main Estimates <i>HC 438, 439, 440, 441 of 2006-07)</i>	429,937	393,991
Winter Supplementary Estimates and New Estimates <i>(HC29)</i>	6,146	7,535
House of Commons: Administration Spring Supplementary Estimate <i>(HC290)</i>	5	–
Spring Supplementary Estimates (HC273) <i>(Section 2 of these booklets)</i>	16,252	7,564
Total	452,340	409,090

5. There are 44 Supplementary Estimates seeking changes to resources and/or cash and these are shown in **Table 1.3**.

Public Expenditure: Total Managed Expenditure

6. The main aggregate for public expenditure control is Total Managed Expenditure, which includes Departmental Expenditure Limits (DEL), for which firm three year plans were set in the 2004 Spending Review, and Annually Managed Expenditure (AME), which is subject to annual review as part of the Budget process. These definitions are explained in more detail in Chapter 1 of *Public Expenditure: Statistical Analyses 2007 (Cm 7091)* and in Section 2 of *Central Government Supply Estimates: 2007-08 Supplementary Budgetary Information (Cm 7079)*.

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

8. The net effect of the Estimates within this booklet, and associated non-voted increases, on the main control aggregates is shown in **Table 1.2**. Of the increase in DEL, £4,130 million will be charged to the DEL Reserve. Of this, £1,837 million relates to partial take up of the end year flexibility entitlements shown in **Table 5** of the *Public Expenditure Outturn White Paper 2006–07 (Cm 7156)*, published in July 2007.

Table 1.2 Expenditure within the main control aggregates		£ million
	Resources	Capital
Change in DEL	2,671	1,649
Change in Departmental AME	9,263	–924
Total	11,934	725

Departmental Expenditure Limits

9. Individual DELs operate as limits on spending at the departmental level covering departmental level covering both voted and non-voted provision. An explanation of the operation of DELs and the DEL figures, capital and resource, for 2007–08 was set out in Section 2 of *Central Government Supply Estimates 2007–08 – Supplementary Budgetary Information (Cm 7079)*. The presumption is that DELs, once set, will not be changed (other than for transfer of provision between DELs, take-up of end year flexibility, etc), even if there are unexpected fluctuations in costs or other determinants of expenditure.

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

Administration Budgets

11. **Table 1.5** in the Appendix shows the changes to individual departments' administration budgets agreed since they were published in Table 2.3 of *Cm 7079* and amended in Table 1.6 of *HC 29*.

Parliamentary Procedure

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

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

13. The House of Commons has an opportunity to debate and vote on Supplementary and, where applicable, New and Revised Estimates, following detailed examination by departmental Select Committees. This process is described more fully in Section 3 of *HC 438*.

Format of Supplementary Estimates

14. Each Supplementary Estimate begins with an introduction that explains why changes to existing provision are being sought. The format and organisation of Estimates is explained more fully in Section 2 of *HC 438*.

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

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

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

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

Appropriations in Aid

19. A Treasury Minute under the Government Resources and Accounts Act 2000 has today been laid before Parliament directing the use as appropriations in aid of such sums shown in the Estimates as would otherwise have been required to be surrendered to the Consolidated Fund. The source of all types of income to be appropriated in aid is shown in the form of a Note to each Estimate.

Symbols

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

Public Expenditure:

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

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

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

Appendix

Table 1.3: Supplementary Estimates by department
£'000s

RfR Service	Resources			Cash		
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement
Department for Children, Schools and Families	49,418,429	201,343	49,619,772	49,423,173	199,578	49,622,751
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	47,473,850	203,332	47,677,182			
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,754,479	63,067	1,817,546			
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	190,100	-65,056	125,044			
Teachers' Pension Scheme (England & Wales)	10,516,919	189,517	10,706,436	1,583,646	-	1,583,646
RfR 1: Teachers' pensions	10,516,919	189,517	10,706,436			
Department of Health	71,563,771	2,277,761	73,841,532	70,754,822	325,188	71,080,010
RfR 1: Securing health care for those who need it	68,014,798	2,152,782	70,167,580			
RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health	3,536,316	123,629	3,659,945			
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts	12,657	1,350	14,007			
Department for Transport	14,618,790	2,059,473	16,678,263	11,815,150	1,859,129	13,674,279
RfR 1: Promoting transport that works for everybody	14,618,790	2,059,473	16,678,263			
Office of Rail Regulation	2	-	2	4,546	250	4,796
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation	2	-	2			
Department for Innovation, Universities and Skills	17,061,264	887,389	17,948,653	18,892,556	543,672	19,436,228
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; achieving excellence in levels of skills; and supporting innovation and standards	13,694,011	841,576	14,535,587			
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society	3,367,253	45,813	3,413,066			

Table 1.3: Supplementary Estimates by department

£'000s

RfR Service	Resources			Cash		
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement
Department for Communities and Local Government	34,416,076	671,441	35,087,517	34,742,678	686,874	35,429,552
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	10,602,308	671,051	11,273,359			
RfR 2: Providing for effective devolved decision making within a national framework	23,813,768	390	23,814,158			
Home Office	9,639,503	102,494	9,741,997	9,725,539	97,673	9,823,212
RfR 1: Protecting the public and securing our future	9,639,503	102,494	9,741,997			
Assets Recovery Agency	16,301	1,706	18,007	18,931	1,856	20,787
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation	16,301	1,706	18,007			
Charity Commission	31,743	2,600	34,343	31,632	200	31,832
RfR 1: Giving the public confidence in the integrity of charity	31,743	2,600	34,343			
Ministry of Justice	46,497,377	66,310	46,563,687	46,250,049	560,876	46,810,925
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	9,552,675	1	9,552,676			
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	24,952,100	65,359	25,017,459			
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales	11,992,602	950	11,993,552			
Ministry of Justice: Judicial Pensions Scheme	39,539	3,497	43,036	1	-	1
RfR 1: Judicial Pensions Scheme	39,539	3,497	43,036			
Northern Ireland Court Service	124,824	16,060	140,884	116,149	15,980	132,129
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	124,824	16,060	140,884			
Crown Prosecution Service	646,352	2,080	648,432	646,888	2,080	648,968
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	646,352	2,080	648,432			
Serious Fraud Office	51,114	-	51,114	56,570	300	56,870
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	51,114	-	51,114			

Table 1.3: Supplementary Estimates by department

£'000s

RfR Service	Resources			Cash		
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement
HM Procurator General and Treasury Solicitor	15,466	950	16,416	17,354	800	18,154
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	15,466	950	16,416			
Revenue and Customs Prosecutions Office	36,726	2,183	38,909	36,726	3,383	40,109
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors	36,726	2,183	38,909			
Ministry of Defence	35,568,946	2,472,624	38,041,570	33,835,747	894,351	34,730,098
RfR 1: Provision of defence capability	33,182,636	1,447,124	34,629,760			
RfR 2: Operations and Peace Keeping	1,359,303	1,022,500	2,381,803			
RfR 3: War Pensions and Allowances, etc	1,027,007	3,000	1,030,007			
Armed Forces retired pay, pensions etc	5,095,638	500,000	5,595,638	1,689,057	150,000	1,839,057
RfR 1: Armed Forces retired pay, pensions etc	5,095,638	500,000	5,595,638			
Foreign and Commonwealth Office	1,934,691	141,059	2,075,750	1,855,498	214,873	2,070,371
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	1,678,530	24,758	1,703,288			
RfR 2: Conflict prevention	256,161	116,301	372,462			
Department for International Development	4,591,738	66,671	4,658,409	4,466,519	33,848	4,500,367
RfR 1: Eliminating poverty in poorer countries	4,553,640	53,704	4,607,344			
RfR 2: Conflict prevention	38,098	12,967	51,065			
Department for International Development: Overseas Superannuation	57,643	1,400	59,043	114,503	-	114,503
RfR 1: Overseas superannuation	57,643	1,400	59,043			
Department for Business, Enterprise and Regulatory Reform	3,715,461	580,819	4,296,280	5,280,455	744,166	6,024,621
RfR 1: Increasing UK competitiveness	3,715,461	580,819	4,296,280			
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society	-	-	-			
UK Trade & Investment	89,328	1	89,329	90,348	8,888	99,236
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment	89,328	1	89,329			
Department for Business, Enterprise and Regulatory Reform: UKAEA pension schemes	288,883	1	288,884	68,235	1	68,236
RfR 1: Effective management of UKAEA pension schemes	288,883	1	288,884			

Table 1.3: Supplementary Estimates by department

£'000s

RfR Service	Resources			Cash		
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement
Export Credits Guarantee Department	69,103	1	69,104	1	1	2
RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports	69,102	-	69,102			
RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports	1	1	2			
Office of Gas and Electricity Markets	702	1	703	1,848	1	1,849
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry and expenditure in connection with environmental programmes	2	701	703			
RfR 2: Expenditure in connection with environmental programmes	700	-700	-			
Department for Environment, Food and Rural Affairs	5,883,215	1,638	5,884,853	5,862,117	1	5,862,118
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme England Guarantee Section as economically, efficiently and effectively as possible	5,883,215	1,638	5,884,853			
Water Services Regulation Authority	173	1	174	558	870	1,428
RfR 1: Regulation of the Water Industry	173	1	174			
Department for Culture, Media and Sport	4,736,419	38,817	4,775,236	4,747,492	31,977	4,779,469
RfR 1: Improving the quality of life through cultural and sporting activities	1,880,309	38,817	1,919,126			
RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities	2,856,110	-	2,856,110			
Department for Work and Pensions	66,699,848	5,688,788	72,388,636	67,846,092	621,122	68,467,214
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	408,773	145,697	554,470			
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	38,333,386	348,115	38,681,501			
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	10,634,503	5,241,182	15,875,685			
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	16,244,376	205,718	16,450,094			
RfR 5: Corporate contracts and support services	1,078,810	-251,924	826,886			

Table 1.3: Supplementary Estimates by department

£'000s

RfR Service	Resources			Cash		
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement
Government Equalities Office	66,242	42,991	109,233	66,242	42,991	109,233
RfR1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential	66,242	42,991	109,233			
Northern Ireland Office	11,612,296	29,712	11,642,008	11,623,994	32,456	11,656,450
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	1,278,295	29,712	1,308,007			
RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000	10,334,001	-	10,334,001			
HM Treasury	324,173	7,092	331,265	246,532	11,841	258,373
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all	236,545	4,017	240,562			
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage	52,000	3,074	55,074			
RfR 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis	35,628	1	35,629			
HM Revenue & Customs	15,221,759	159,891	15,381,650	15,185,697	407,489	15,593,186
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements	4,346,910	20,353	4,367,263			
RfR 2: Growing a contribution to the good management of property where the public interest is involved	1	-	1			
RfR 3: Providing payments in lieu of tax relief to certain bodies	86,000	-	86,000			
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies	38,386	-	38,386			
RfR 5: Payments of Child Benefit and Child Trust Fund endowments	10,750,462	139,538	10,890,000			
Office for National Statistics	162,504	12,672	175,176	168,113	10,975	179,088
RfR 1: Providing statistical and registration services	162,504	12,672	175,176			
Government Actuary's Department	618	222	840	286	222	508
RfR 1: Providing an actuarial consultancy service	618	222	840			

Table 1.3: Supplementary Estimates by department

£'000s

RfR Service	Resources			Present Requirement	Cash	
	Present Net Provision	Increase Proposed	New Net Provision		Increase Proposed	New Requirement
Cabinet Office	387,339	1,659	388,998	357,341	16,820	374,161
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	387,339	1,659	388,998			
Security and Intelligence Agencies	1,550,753	720	1,551,473	1,618,365	34,504	1,652,869
RfR 1: Protecting and promoting the national security and economic well being of the UK	1,550,753	720	1,551,473			
Cabinet Office: Civil superannuation	7,616,000	1	7,616,001	950,000	-	950,000
RfR 1: Civil superannuation	7,616,000	1	7,616,001			
Office of Parliamentary Commissioner for Administration and the Health Service Commissioner for England	24,026	400	24,426	24,541	400	24,941
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	24,026	400	24,426			
House of Lords	114,189	13,485	127,674	111,334	-	111,334
RfR 1: Members' expenses and administration, etc.	114,189	13,485	127,674			
House of Commons: Members	163,150	6,460	169,610	162,398	8,260	170,658
RfR 1: Members' salaries, allowances and other costs	163,150	6,460	169,610			
House of Commons: Administration	233,100	5,200	238,300	173,300	-	173,300
RfR 1: House of Commons Administrative Expenditure	231,742	5,200	236,942			
RfR 2: Grants to other bodies	1,358	-	1,358			
Total		16,257,130			7,563,896	

Table 1.4 Departmental Expenditure Limits for 2007-08

Department/Group	Resources				Capital			
	DEL change	New DEL	of which Voted	Non voted	DEL change	New DEL	of which Voted	Non voted
Department for Children, Schools and Families (1)	131,548	45,083,982	43,868,374	1,215,608	-	5,828,661	4,783,805	1,044,856
Department of Health (2)	6,934	89,687,980	91,418,962	-1,730,982	274	4,322,119	1,805,212	2,516,907
Department for Transport	-28,577	6,896,900	6,335,982	560,918	641,395	7,184,773	5,473,487	1,711,286
Office of Rail Regulation	-	2	2	-	250	750	750	-
Department for Innovation, Universities and Skills	-443,498	15,673,719	-4,415,296	20,089,015	95,157	2,065,889	-79,756	2,145,645
Department for Communities and Local Government: Main	16,277	4,336,609	4,118,195	218,414	-24,999	6,068,763	2,444,494	3,624,269
Department for Communities and Local Government: Local Government	288	22,815,153	22,711,299	103,854	102	129,853	126,353	3,500
Deputy Prime Minister's Office (3)	-	508	508	-	-	-	-	-
Home Office	-3,458	8,659,454	7,941,122	718,332	11,224	763,686	472,179	291,507
Assets Recovery Agency	1,706	18,007	18,007	-	150	150	150	-
Charity Commission	2,600	34,343	34,343	-	200	1,100	1,100	-
Ministry of Justice (4)	-212,142	9,130,166	5,884,249	3,245,917	235,408	1,050,721	1,015,106	35,615
Law Officers' Departments (5)	14,413	764,071	754,871	9,200	2,100	19,000	19,000	-
Ministry of Defence	2,219,624	36,940,256	36,857,168	83,088	428,000	8,120,370	8,119,626	744
Foreign and Commonwealth Office	134,059	1,956,385	1,950,523	5,862	60,814	243,567	243,567	-
Department for International Development	4,568	4,563,685	3,852,865	710,820	15,000	731,250	731,250	-
Department for Business, Enterprise and Regulatory Reform	558,119	2,787,259	-443,681	3,230,940	26,372	1,194,049	-758,716	1,952,765
UK Trade & Investment	1	89,308	89,308	-	-	248	248	-
Export Credits Guarantee Department	-	600	600	-	-	481	481	-
Office of Fair Trading	-	75,994	75,994	-	-	1,398	1,398	-
Office of Gas and Electricity Markets	1	703	703	-	-	950	950	-
Postal Services Commission	-	1	1	-	-	460	460	-
Department for the Environment, Food and Rural Affairs	-	2,928,970	4,309,389	-1,380,419	-	888,905	661,010	227,895
Forestry Commission	-	93,022	90,369	2,653	-	1,940	2,640	-700
Water Services Regulation Authority	1	2	2	-	-	517	517	-
Department of Culture, Media and Sport	4	1,607,412	101,284	1,506,128	20,000	522,353	29,212	493,141
Department for Work and Pensions	30,912	7,758,149	6,592,712	1,165,437	35,935	100,110	99,219	891
Government Equalities Office	22,648	89,482	12,433	77,049	-	7,175	-	7,175

Table 1.4 Departmental Expenditure Limits for 2007-08

£ '000

Department/Group	Resources				Capital			
	DEL change	New DEL	of which Voted	Non voted	DEL change	New DEL	of which Voted	Non voted
Department for Children, Schools and Families (1)	131,548	45,083,982	43,868,374	1,215,608	-	5,828,661	4,783,805	1,044,856
Department of Health (2)	6,934	89,687,980	91,418,962	-1,730,982	274	4,322,119	1,805,212	2,516,907
Department for Transport	-28,577	6,896,900	6,335,982	560,918	641,395	7,184,773	5,473,487	1,711,286
Office of Rail Regulation	-	2	2	-	250	750	750	-
Department for Innovation, Universities and Skills	-443,498	15,673,719	-4,415,296	20,089,015	95,157	2,065,889	-79,756	2,145,645
Department for Communities and Local Government: Main	16,277	4,336,609	4,118,195	218,414	-24,999	6,068,763	2,444,494	3,624,269
Department for Communities and Local Government: Local Government	288	22,815,153	22,711,299	103,854	102	129,853	126,353	3,500
Deputy Prime Minister's Office (3)	-	508	508	-	-	-	-	-
Home Office	-3,458	8,659,454	7,941,122	718,332	11,224	763,686	472,179	291,507
Assets Recovery Agency	1,706	18,007	18,007	-	150	150	150	-
Charity Commission	2,600	34,343	34,343	-	200	1,100	1,100	-
Ministry of Justice (4)	-212,142	9,130,166	5,884,249	3,245,917	235,408	1,050,721	1,015,106	35,615
Law Officers' Departments (5)	14,413	764,071	754,871	9,200	2,100	19,000	19,000	-
Ministry of Defence	2,219,624	36,940,256	36,857,168	83,088	428,000	8,120,370	8,119,626	744
Foreign and Commonwealth Office	134,059	1,956,385	1,950,523	5,862	60,814	243,567	243,567	-
Department for International Development	4,568	4,563,685	3,852,865	710,820	15,000	731,250	731,250	-
Department for Business, Enterprise and Regulatory Reform	558,119	2,787,259	-443,681	3,230,940	26,372	1,194,049	-758,716	1,952,765
UK Trade & Investment	1	89,308	89,308	-	-	248	248	-
Export Credits Guarantee Department	-	600	600	-	-	481	481	-
Office of Fair Trading	-	75,994	75,994	-	-	1,398	1,398	-
Office of Gas and Electricity Markets	1	703	703	-	-	950	950	-
Postal Services Commission	-	1	1	-	-	460	460	-
Department for the Environment, Food and Rural Affairs	-	2,928,970	4,309,389	-1,380,419	-	888,905	661,010	227,895
Forestry Commission	-	93,022	90,369	2,653	-	1,940	2,640	-700
Water Services Regulation Authority	1	2	2	-	-	517	517	-
Department of Culture, Media and Sport	4	1,607,412	101,284	1,506,128	20,000	522,353	29,212	493,141
Department for Work and Pensions	30,912	7,758,149	6,592,712	1,165,437	35,935	100,110	99,219	891
Government Equalities Office	22,648	89,482	12,433	77,049	-	7,175	-	7,175
Scottish Government	-29,500	23,844,032	-	23,844,032	-	3,565,322	-	3,565,322

Table 1.4 Departmental Expenditure Limits for 2007-08

£ '000

Department/Group	Resources				Capital			
	DEL change	New DEL	of which Voted	Non voted	DEL change	New DEL	of which Voted	Non voted
Welsh Assembly Government	61,435	12,596,195	-	12,596,195	-	1,568,237	-	1,568,237
Northern Ireland Office	41,708	1,384,636	390,166	994,470	35	71,938	33,264	38,674
Northern Ireland Executive	156,837	7,754,424	-	7,754,424	37,050	1,051,829	-	1,051,829
HM Treasury	-	231,787	210,547	21,240	-	7,200	7,200	-
HM Revenue and Customs	-2,347	4,537,311	4,164,498	372,813	24,259	291,969	288,230	3,739
National Savings and Investment	-	170,294	170,294	-	-	500	500	-
Office for National Statistics	6,672	176,203	175,176	1,027	-	27,580	27,580	-
Government Actuary's Department	222	794	794	-	-	228	228	-
Cabinet Office (6)	1,584	358,286	313,334	44,952	6,072	85,041	84,866	175
Security and Intelligence Agencies	-24,280	1,519,792	1,519,792	-	30,875	320,544	320,544	-
National School of Government	-	1,217	1,217	-	-	1,270	1,270	-
Privy Council Office	-	-	-	-	-	-	-	-
Office of the Parliamentary Commissioner and Health Service Commissioners	400	24,613	24,426	187	-	1,537	1,537	-
House of Lords	-9,487	103,543	103,543	-	-	34,350	34,350	-
House of Commons: Members	6,460	169,610	169,610	-	-	248	248	-
House of Commons: Administration	5,100	224,500	224,500	-	3,259	10,000	10,000	-
National Audit Office	-	90,631	90,444	187	-	3,560	3,560	-
Electoral Commission	-	23,995	23,995	-	-	950	950	-
Total	2,670,832	315,203,985	239,742,624	75,461,361	1,648,932	46,291,541	26,008,069	20,283,472

(1) Includes Sure Start and the Office for Standards in Education, Children's Services and Skills

(2) Includes Food Standards Agency

(3) Department ceased to exist on 28 June 2007

(4) Includes Ministry of Justice, Northern Ireland Court Service, The National Archives, Scotland Office and Wales Office

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

(6) Includes Central Office of Information

Table 1.5 Central Government Departments: changes in 2007-08 Administration Budgets £'000

Department	Present Administration Budget	Change in Administration Budget	Revised Administration Budget
Department for Children, Schools and Families	192,477	3,300	195,777
Office for Standards in Education, Children's Service and Skills	28,955	-	28,955
Department of Health	224,633	6,370	231,003
Food Standards Agency	56,515	-	56,515
Department for Transport	289,384	5,142	294,526
Office of Rail Regulation	2	-	2
Department for Innovation, Universities and Skills	71,840	4,090	75,930
Department for Communities and Local Government	296,007	8,377	304,384
Deputy Prime Minister's Office (1)	508	-	508
Home Office	414,140	-19,540	394,600
Assets Recovery Agency	4,636	107	4,743
Charity Commission	31,743	2,600	34,343
Ministry of Justice	712,716	-233,327	479,389
Northern Ireland Court Service	2,311	-3,000	-689
The National Archives	-	-	-
Crown Prosecution Service	57,303	-	57,303
Serious Fraud Office	31,635	-	31,635
HM Procurator General and Treasury Solicitor	12,769	950	13,719
Revenue and Customs Prosecutions Office	17,936	3,000	20,936
Foreign and Commonwealth Office	870,060	-9,424	860,636
Department for International Development	232,010	-	232,010
Department for Business, Enterprise and Regulatory Reform	326,709	174,122	500,831
Office of Fair Trading	73,944	-	73,944
Office of Gas and Electricity Markets	702	1	703
Postal Services Commission	1	-	1
Department for Environment, Food and Rural Affairs	393,944	-	393,944
Water Services Regulation Authority	1	-	1
Department for Culture, Media and Sport	55,574	-4	55,570
Department for Work and Pensions	5,816,364	-88	5,816,276
Government Equalities Office	3,885	2,243	6,128
Northern Ireland Office	81,869	-116	81,753
HM Treasury	173,851	-2,670	171,181
HM Revenue and Customs	4,441,607	-	4,441,607
National Savings and Investments	170,294	-	170,294
Office for National Statistics	169,531	6,520	176,051
Government Actuary's Department	572	222	794
Cabinet Office	217,058	-50,370	166,688
Security and Intelligence Agencies	889,633	-10,355	879,278
National School of Government	1,217	-	1,217
Total	16,364,336	-111,850	16,252,486

(1) Department ceased to exist on 28 June 2007

Section 2. **Supplementary Estimates**

Department for Children, Schools and Families

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
Changes in resources			
RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills.			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
<i>Administration costs (near cash)</i>			
To increase provision for :			
A	Central administration	2,000,000	
<i>Other resource (near cash)</i>			
To increase provision for :			
A	Central programmes and administration	16,639,000	
B	School central programmes	25,000,000	
C	Children's Programmes	2,500,000	
J	Schools Standards Fund	65,769,000	
M	Children's Services	10,000,000	
<i>Other resource (non cash)</i>			
To increase provision for :			
A	Central programmes and administration	46,000	
A	Central programmes	11,040,000	
B	School central programmes	2,300,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
<i>Other resource (near cash)</i>			
To decrease provision for :			
F	Transfer to the Department for Innovation, Universities and Skills in respect of Adult Education		-4,746,000
<u>Other changes in DEL spending</u>			
Reclassification of administration from programme costs			
A	Activities to support all functions	1,300,000	
F	Further Education		-1,300,000

Other changesChanges in Spending (not offset by changes in operating appropriations-in-aid)*Other resource (near cash)*

To decrease provision for :

B	Reductions related to Machinery of Government transfers not recognised within the Winter Supplementary Estimate	-99,316,000
F	Reductions related to Machinery of Government transfers not recognised within the Winter Supplementary Estimate	-275,007,000

Resource transfers to/from another Request for Resources*Other resource (near cash)*

To increase provision for :

A	Early years census (transferring funding from Sure Start central government, RfR2, section A)	26,000
B	Early years foundation (transferring funding from Sure Start central government, RfR2 section A)	2,000,000
I	Local Area Agreements (transferring funding from Children's Fund local authority, RfR3, section B)	65,056,000
J	Flood recovery grant (transferring funding from Sure Start central government, RfR2, section B)	2,000,000

To decrease provision for :

B	Schools central programmes (transferring funding to Sure Start central government, RfR2, section A)	-50,000
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Capital grants

To decrease provision for :

K	Standards Fund (transferring funding to Sure Start Capital)	-86,000,000
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Resource transfers within the Request for Resources*Administration costs (AME non-cash)*

To decrease provision for:

A	Departmental Support for all functions	-12,000,000
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To increase provision for:

V	Activities to support all functions	12,000,000
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Other Resource (Near Cash)

To increase provision for :

A	Departmental Support for all functions	61,099,000
B	Support for Schools and Teachers	345,902,000
F	Further Education	2,040,129,000
I	Local Area Agreements	293,784,000
J	Schools standard Fund	30,000,000
M	Local Authority Support for Children and Families	188,251,000
M	Local Authority Support for Children and Families	86,473,000

To decrease provision for :

C	Children and Families	-482,035,000
D	Further Education	-30,000,000
F	Further Education	-147,572,000
J	Local Authority support for Schools and Teachers	-106,936,000
O	Dedicated School grants	-238,966,000
U	Support for 6th Forms	-2,040,129,000

Capital grants

To increase provision for :

B	Support for young people	14,102,000
B	ICT Capital in Schools	7,915,000

Department for Children, Schools and Families

Spring Supplementary Estimate, 2007-08

B	Music and Ballet Schools	3,800,000	
N	Children Services	7,039,000	
	To decrease provision for :		
F	Support for Youth		-10,000,000
K	Support for Schools		-22,856,000

Transfers to/from non-voted spending

	Capital grants (capital DEL)		
	To increase provision for :		
B	City Academies, School Standards and ICT in Schools	412,644,000	
B	ICT Capital in Schools	3,584,000	
	<i>Other Resource (Near Cash)</i>		
	To decrease provision for :		
F	Learner Support		-13,170,000
F	14-19 Development		-70,379,000
J	Teachers Pay and Performance		-119,629,000
	<i>Other Resource (Non Cash)</i>		
	To decrease provision for :		
A	TEC property costs		-3,621,000

Changes in non-budget spending

	<i>To increase grant-in-aid provision for:</i>		
Q	Partnership for Schools	1,128,000	
Q	Schools Food Trust	7,000,000	
Q	Training and Development Agency for Schools	150,415,000	
Q	British Educational Communications and Technology Agency	31,400,000	
R	Children and Families Court Advisory and Support Services	7,151,000	
T	Qualification Curriculum Authority	57,552,000	

<u>Total</u>	3,967,044,000	-3,763,712,000
Total change in resources for RfR1		203,332,000

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Changes related to movements in budgets

Take up of DEL End-Year Flexibility

	<i>Other resource (near cash)</i>		
	To increase provision for :		
B	Sure Start Family Unit Grants	1,000,000	

Other changes

Resource transfers to/from another Request for Resources

	<i>Other resource (near cash)</i>		
	To increase provision for :		
A	Sure Start central government (transferring funding from Schools central programmes, RfR1, section B)	50,000	

	To decrease provision for :	
A	Sure Start central government (transferring funding to the Early years census, RfR1, section A)	-26,000
A	Sure Start central government (transferring funding to the Early years census, RfR1, section B)	-2,000,000
B	Sure Start central government (transferring funding to the Flood recovery grant, RfR1, section J)	-2,000,000
	<i>Capital grants (Capital DEL)</i>	
	To increase provision for:	
E	General Sure Start capital grants (transferring funding from Schools standards fund, RFR1, section K)	86,000,000
	<u>Resource transfers within the Request for Resources</u>	
	<i>Other Resources (near cash)</i>	
	To increase provision for :	
C	Local Area Agreements	180,102,000
D	General Sure Start Grant	-180,102,000
	<u>Transfers to/from non-voted spending</u>	
	<i>Other resource (near cash)</i>	
	To decrease provision for :	
A	Sure Start central government grants	-3,063,000
B	Sure Start central government grants	-15,407,000
D	Sure Start local authority grants	-1,487,000
	<u>Total</u>	<u>267,152,000</u>
	Total change in resources for RfR2	-204,085,000
		63,067,000

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
	<u>Other changes</u>		
	<u>Resource transfers to/from another Request for Resources</u>		
	<i>Other resource (near cash)</i>		
	To decrease provision for :		
B	Children's Fund local authority (transferring to Local area Agreements, RfR1, section I)		-65,056,000
	<u>Resource transfers within the Request for Resources</u>		
	<i>Other resource (Near Cash)</i>		
	To increase provision for :		
A	Local Network Fund	3,196,000	
	To decrease provision for :		
B	Children's Fund		-3,196,000

	<u>Total</u>	<u>3,196,000</u>	<u>-68,252,000</u>
Total change in resources for RfR3			-65,056,000.

Total change in resources for Estimate	201,343,000
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2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £199,578,000
3. Symbols are explained in the Introduction to this booklet.

Department for Children, Schools and Families

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.	†	203,332,000
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare.		63,067,000
RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people; and their families, to break the cycle of deprivation and disadvantage through the Children's Fund	†	-65,056,000
Total additional net resource requirement		201,343,000
Additional net cash requirement		199,578,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for Children, Schools and Families on:

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

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

;Grants in Aid to the Children and Family Court Advisory and Support Service and the Children's Commissioner; payments and grants to support parenting and parenting organisations; children's workforce and development; grants to support Strengthening Families, Marriages and Relationships; payments to support and develop vetting and barring payments to the Department for Communities and Local Government to support Local Area Agreements including those for Children's Fund ; investments and loans to support PFI; 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;

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; departmental restructuring costs; initiatives and programmes supported by the European Union, the Capital Modernisation Fund and with other Government Departments under the Invest to Save Budget; compensation payments to teachers and staff of certain institutions and teachers' medical fees; and associated non-cash items.

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

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

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

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

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

† The reduction in the net resource requirement of RfR3 of £65,056,000 is offset by a reallocation of those resources to RfR1.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
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)						
<i>Central Government spending</i>						
RfR 1 - A	Activities to Support All Functions	237,499	89,216	13,987	75,229	312,728
RfR 1 - B	Support for Schools and Teachers not through Local Education Authorities	1,017,805	703,779	-	703,779	1,721,584
RfR 1 - C	Support for Children and Families not paid through Local Authorities	871,286	-463,643	1,790	-465,433	405,853
RfR 1 - F	Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes	5,760,703	1,471,987	-148	1,472,135	7,232,838
RfR 1 - H	Compensation to Former College of Education Staff	11,813	-128	-	-128	11,685
RfR 1 - I	Current Grants for Local Area Agreements to Support Children and Families	343,404	344,127	-	344,127	687,531
<i>Support for Local Authorities</i>						
RfR 1 - J	Current Grants for Local Education Authorities to Support Schools and Teachers	4,429,668	-130,796	-	-130,796	4,298,872
RfR 1 - K	Capital Grants for Local Education Authorities to Support Schools	3,447,150	-108,856	-	-108,856	3,338,294
RfR 1 - M	Current Grants to Local Authorities to Support Children and Families	57,200	299,437	-	299,437	356,637
RfR 1 - N	Capital Grants to Local Authorities to Support Children and Families	55,228	7,039	-	7,039	62,267
RfR 1 - O	Dedicated Schools Grants	28,286,881	-236,966	-	-236,966	28,049,915
Non-Budget						
RfR 1 - Q	Grant in Aid to NDPBs supporting Schools	741,795	189,943	-	189,943	931,738
RfR 1 - R	Grant in Aid to NDPBs supporting Children and Families	99,480	7,151	-	7,151	106,631
RfR 1 - T	Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills	91,057	57,552	-	57,552	148,609
Spending in Departmental Expenditure Limits (DEL)						
<i>Support for Local Authorities</i>						
RfR 1 - U	Further Education supporting 6th Forms	2,022,881	-2,022,881	-	-2,022,881	-
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
RfR1 - V	Activities to Support All Functions	-	12,000	-	12,000	12,000
Total RfR 1			218,961	15,629	203,332	

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

Spending in Departmental Expenditure Limits(DEL)

Central Government spending

RfR 2 - A	Sure Start Current grants not through Local Authorities	88,812	-5,039.	-	-5,039	83,773
RfR 2 - B	Sure Start Schools Current grants not through Local Authorities	43,340	-14,407.	-	-14,407	28,933
RfR 2 - C	Sure Start Current Grants for Local Area Agreements	1	180,102	-	180,102	180,103
RfR 2 - D	LA Current Grants	1,099,301	-183,589.	-	-183,589	915,712
RfR 2 - E	LA Capital Grants	523,025	86,000	-	86,000	609,025
Total RfR 2			63,067	-	63,067	

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

Spending in Departmental Expenditure Limits(DEL)

Central Government spending

RfR 3 - A	Children's Fund	40,000	3,196	-	3,196	43,196
<i>Support for Local Authorities</i>						
RfR 3 - B	LA Current Grants	150,100	-68,252	-	-68,252	81,848
Total RfR 3			-65,056	-	-65,056	

Total Changes to RfRs	216,972	15,629	201,343
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	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	10,170	-	10,170
Non-Operating A in A	575	-	575
Net cash requirement	49,423,173	199,578	49,622,751

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills.							
212,651	215,814	47,274,189	47,702,654	25,472	47,677,182	10,170	575
Spending in Departmental Expenditure Limits (DEL)							
Central Government spending							
A Activities to Support All Functions							
212,651	64,811	58,901	336,363	23,635	312,728	10,170	575
B Support for Schools and Teachers not through Local Education Authorities							
-	12,036	1,709,548	1,721,584	-	1,721,584	-	-
C Support for Children and Families not paid through Local Authorities							
-	121,774	285,869	407,643	1,790	405,853	-	-
D Higher Education							
-	-	-	-	-	-	-	-
E Higher Education Receipts from the Department of Trade and Industry							
-	-	-	-	-	-	-	-
F Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes							
-	5,193	7,227,692	7,232,885	47	7,232,838	-	-
G Support for Students in Higher Education							
-	-	-	-	-	-	-	-
H Compensation to Former College of Education Staff							
-	-	11,685	11,685	-	11,685	-	-
I Current Grants for Local Area Agreements to Support Children and Families							
-	-	687,531	687,531	-	687,531	-	-
Support for Local Authorities							
J Current Grants for Local Education Authorities to Support Schools and Teachers							
-	-	4,298,872	4,298,872	-	4,298,872	-	-
K Capital Grants for Local Education Authorities to Support Schools							
-	-	3,338,294	3,338,294	-	3,338,294	-	-
L Higher Education Fees and Awards through Local Education Authorities							
-	-	-	-	-	-	-	-
M Current Grants to Local Authorities to Support Children and Families							
-	-	356,637	356,637	-	356,637	-	-
N Capital Grants to Local Authorities to Support Children and Families							
-	-	62,267	62,267	-	62,267	-	-
O Dedicated Schools Grants							
-	-	28,049,915	28,049,915	-	28,049,915	-	-

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
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
P	Loans to Students	-	-	-	-	-	-
Non-Budget							
Q	Grant in Aid to NDPBs supporting Schools	-	931,738	931,738	-	931,738	-
R	Grant in Aid to NDPBs supporting Children and Families	-	106,631	106,631	-	106,631	-
S	Loans to Students and Grant in Aid to NDPBs supporting Higher Education	-	-	-	-	-	-
T	Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills	-	148,609	148,609	-	148,609	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Support for Local Authorities</i>							
U	Further Education supporting 6th Forms	-	-	-	-	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
V	Activities to Support All Functions	-	12,000	12,000	-	12,000	-
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare.							
-	28,932	1,788,614	1,817,546	-	1,817,546	-	-
Spending in Departmental Expenditure Limits(DEL)							
<i>Central Government spending</i>							
A	Sure Start Current grants not through Local Authorities	-	28,932	54,841	83,773	-	83,773
B	Sure Start Schools Current grants not through Local Authorities	-	-	28,933	28,933	-	28,933
C	Sure Start Current Grants for Local Area Agreements	-	-	180,103	180,103	-	180,103
<i>Support for Local Authorities</i>							
D	LA Current Grants	-	-	915,712	915,712	-	915,712
E	LA Capital Grants	-	-	609,025	609,025	-	609,025
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							
-	196	124,848	125,044	-	125,044	-	-
Spending in Departmental Expenditure Limits(DEL)							
<i>Central Government spending</i>							
A	Children's Fund	-	196	43,000	43,196	-	43,196

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
<i>Support for Local Authorities</i>								
B LA Current Grants	-	-	81,848	81,848	-	81,848	-	-
Total for Estimate:								
212,651	244,942	49,187,651	49,645,244	25,472	49,619,772	10,170	575	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	49,418,429	201,343	49,619,772
Voted capital items			
Capital	10,170	-	10,170
<i>Less:</i> Non-operating A in A	<u>575</u>	<u>-</u>	<u>575</u>
Total net voted capital	9,595	-	9,595
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,177	-916	-4,093
Depreciation	-20,699	-2,892	-23,591
New provisions and adjustments to previous provisions	-6,005	-5,957	-11,962
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-450	-	-450
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	7,226	-	7,226
Increase(-)/decrease (+) in creditors	-17,394	-	-17,394
Use of provisions	<u>35,648</u>	<u>8,000</u>	<u>43,648</u>
Total accruals to cash adjustments	-4,851	-1,765	-6,616
Excess cash to be CFERd	-	-	-
Net Cash Requirement	49,423,173	199,578	49,622,751

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	195,777
RfR2	-
RfR3	-
Total Net Administration Costs	195,777
Net Programme Costs	
RfR1	47,481,405
RfR2	1,817,546
RfR3	125,044
Total Net Programme costs	49,423,995
Total Net Operating Cost	49,619,772
<i>of which:</i>	
Net Resource Requirement	49,619,772
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction related to Machinery of Government Transfers	-
Resource Budget	44,875,173

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	49,619,772
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Reduction related to Machinery of Government Changes	-
Net Operating Costs (Accounts)	49,619,772
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-4,607,229
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-162,746
unallocated resource provision	25,376
Other adjustments	-
Resource Budget (Budget)	44,875,173
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	44,863,173
Annually Managed Expenditure (AME)	12,000

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	9,595
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	169,086
capital grants	4,607,229
European Union income related to capital grants	-
supported capital expenditure (revenue)	1,041,358
capital spending by levy funded bodies	-
unallocated capital provision	412
Other adjustments	-
Capital Budget (Budget)	5,827,680
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	5,827,680
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Mr David Bell , Permanent Head of the Department
Request for Resources 2	Mr David Bell , Permanent Head of the Department
Request for Resources 3	Mr David Bell , Permanent Head of the Department

Mr David Bell as the Accounting Officer of the Department for Children, Schools and Families has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Children, Schools and Families.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

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

Administration	16,874
<i>of which:</i>	
Sale of goods and services	16,874
Programme	8,598
Sale of goods and services	8,551
EU Income	-
Other grant income (including repayments of grants/subsidies)	2
Interest and dividends	-
Other Income (including receipts)	45
Total RfR1	25,472 †

† Amount that may be applied as appropriations in aid in addition to the net total arising from: 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;

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; receipts for Teachers TV; International Receipts (including the EC); Schools Standard Fund receipts; Music Manifesto Champion; Food Standards Agency receipts; and of research and miscellaneous services and projects; inspection of Jobcentre Plus from the Department of Work and Pensions;

Strengthening Families receipts from the Home Office; Literacy and Numeracy receipts; London Challenge receipts; receipts from the Department of Health for Investors in People Healthy Organisations; Student loan interest receivable.

Total Operating A in A	25,472
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Analysis of non - operating appropriations in aid (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.

Programme	575
<i>of which:</i>	
Sale of assets	575

Total RfR1	575 †
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† Amount that may be applied as non-operating appropriations in aid, arising from: repayment of loans to former grant-maintained schools and discretionary loans paid under Schedule 3 of the School Standards and Framework Act 1998 and from the sale of surplus land, buildings and equipment.

Total Non-Operating A in A	575
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-95,208	226,756	43,647,565	1,215,608	44,863,173
<i>of which:</i>					
Administration budget †	3,300	-	195,777	-	195,777
Near-cash in RDEL	-104,973	231,135	43,619,469	1,251,589	44,871,058
Capital DEL ††	416,228	-416,228	4,782,824	1,044,856	5,827,680
Less Depreciation †††	-2,892	-3,826	-11,591	-4,982	-16,573
Total DEL	318,128	-193,298	48,418,798	2,255,482	50,674,280

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	26,047

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1- Q	British Educational Communications and Technology Agency ♦	41,959
RfR1- Q	National College for Schools Leadership ♦	92,920
RfR1- Q	Partnerships for Schools♥	1,128
RfR1- Q	Schools Food Trust♥	7,000
RfR1- Q	Training and Development Agency for Schools♥	788,731
RfR1- R	Children and Families Court Advisory and Support Service ♥	106,131
RfR1- R	Children's Commissioner ♥	500
RfR1- T	Qualifications and Curriculum Authority ♥	148,607

Notes to the Estimate (*continued*)

Contingent Liabilities

Nature of Liability	£'000
As at 31 March 2008, the following liabilities fell to be met from the Department's Estimate:	
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:	2,500
a) their TEC makes them redundant due to direct government action due to their first five years of employment;	
b) a court or tribunal ever ruled that TEC and civil service employment were continuous for redundancy calculation purposes.	
The department has 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 the Government, thereby ensuring the continuation of essential discretionary activity and the return of residual reserves owing to the Secretary of State at the earliest opportunity. The indemnities will include:	
Liabilities that arise from audit work carried out in respect of the delivery of activities funded through the European union initiatives or through Single Regeneration Budget and other schemes sponsored by Government Departments other than DCSF;	60,747
Liabilities that arise from the transfer of TEC/CCTE functions to successors, including from staff who have been transferred or been made redundant, who as a result of the transfer seek redress through the Employment Tribunal; and	1,000
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.	4,935
Arrangements to allow the appointment of a receiver to manage the affairs of Nottingham Enterprise Ltd (formerly North Nottingham TEC).	2,000
Arrangements to allow for the appointment of a receiver at any TEC we believe necessary.	6,000
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
In order to ensure the continue occupancy of a surplus government office, the lease in Histon, Cambridge was assigned in 2003 to Opportunity Links Ltd. They are a company limited by guarantee, working closely with DCSF to support the delivery of information to families. Under the terms of the original lease the Secretary of State is guarantor of the tenants' obligations and in the event of Opportunity Links ceasing to exist, the Secretary of State will be required to take over the lease obligations	1,168

Teachers' Pension Scheme (England & Wales)

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
<u>Section</u>	<u>Reason for change</u>		
A3	<u>Changes in Annually Managed Expenditure (AME)</u> changes in forecasts and standard contribution rates used for the calculation of current service costs and its effect on interest charges.	182,052,000	
A5	Changes in forecast contributions received due to changes in estimated paybill.	7,465,000	
		<u>Total</u>	<u>-</u>
Total change in resources for RfRI		189,517,000	189,517,000
Total change in resources for Estimate			189,517,000

2. As a result of the above and non-cash adjustments, there is no change in the net cash requirement of £ 1,583,646,000.
3. Symbols are explained in the Introduction to this booklet.

Teachers' Pension Scheme (England & Wales)

Part I

	£
RfR 1: Teachers' Pensions	189,517,000
Total additional net resource requirement	189,517,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Teachers' Pension Scheme (England & Wales) on:

RfR 1: Teachers' Pensions

Superannuation allowances and gratuities, and other related expenditure, in respect of teachers and the widows, widowers, children and dependants of deceased teachers, and for premature retirement compensation payments made to members of the Teachers' Pension Scheme and on behalf of their employers; and associated non-cash items.

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

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Teachers' Pensions					
Spending in Annually Managed Expenditure (AME)					
RfR 1 - A Pensions	10,516,919	182,052	-7,465	189,517	10,706,436
Total RfR 1		182,052	-7,465	189,517	

Capital and Cash	Present Provision	Change in Provision	£000 New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	1,583,646	-	1,583,646

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: Teachers' Pensions								
-	-	15,263,543	15,263,543	4,557,107	10,706,436	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
<i>A Pensions</i>								
-	-	15,263,543	15,263,543	4,557,107	10,706,436	-	-	
Total for Estimate:								
-	-	15,263,543	15,263,543	4,557,107	10,706,436	-	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	£'000 <u>Revised</u>
Net total Resources	10,516,919	189,517	10,706,436
Voted capital items			
Capital expenditure	-	-	-
<i>Less: non-operating A in A</i>	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-15,075,070	-183,059	-15,258,129
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	51,487	37,148	88,635
Increase(-)/decrease (+) in creditors	-26,223	4,202	-22,021
Use of provisions	6,116,533	-120,277	5,996,256
Total accruals to cash adjustments	-8,933,273	-261,986	-9,195,259
Excess cash to be CFERd	-	72,469	72,469
Net cash requirement	1,583,646	-	1,583,646

Part III: Extra receipts payable to the Consolidated Fund

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

	<u>Present provision</u>		<u>New provision</u>	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	144	<i>165</i>	132	<i>132</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	<i>72,469</i>
Total	144	<i>165</i>	132	<i>72,601</i>

Forecast Combined Revenue Account

	£'000
	2007-08 provision
Net Programme Costs	10,706,304
RfR 1	
<i>of which:</i>	
Income	
Contributions received	4,478,499
Transfers in	74,336
Other income receivable	4,404
Total Income	4,557,239
Expenditure	
Increase in liability	6,895,867
Interest on scheme liability	8,362,262
Other expenditure	5,414
Total Expenditure	15,263,543
Total Net Operating Cost	10,706,304
<i>of which:</i>	
Net Resource Requirement	10,706,436
Non-voted expenditure	-
CFERs	-132
Resource Budget	10,706,304

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	10,706,436
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-132
Other adjustments	-
Net Operating Costs (Accounts)	10,706,304
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	10,706,304
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	10,706,304

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital Outturn (Estimates)	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 David Bell, Permanent Head of DCSF

David Bell, as the Accounting Officer (AO) of the Teachers' Pension Scheme has personal responsibility for the proper presentation of the Teachers' Pension Scheme's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The AO as the permanent head, in addition to any responsibilities for an assigned RfR, remains in general overall charge of the Teachers' Pension Scheme.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000 2007-08 Provision
RfR 1: Teachers' Pensions	
Programme	4,557,107
<i>of which:</i>	
Pension scheme related income	4,557,239
CFERs	-132
Total RfR 1	4,557,107 †
<i>† Amount that may be applied as appropriations in aid in addition to the net total, arising from: receipts from employers and employees superannuation contributions; transfer values received; deductions from returns of contributions towards payments in lieu of graduated national insurance contributions equivalent premiums (CEPs); recovery of contributions equivalent premiums from the state pension scheme; amounts received from employers of Teachers' scheme members in reimbursement of the cost of premature retirement compensation payments on their behalf by Capita.</i>	
Total Operating A in A	4,557,107

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2007-08 provision	
		Income	Receipts
Over recovery of appropriations in aid:	Δ	132	132
Excess cash surrendered	●	-	72,469
Total		132	72,601

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	4,557,107

Notes to the Estimate

Contingent Liabilities

Nature of Liability	£'000
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As at March 2007, the following liabilities fell to be met from the Estimate:

A very remote contingent liability to make Additional Voluntary Contributions related to pensions.
This would be in the unlikely event of default by the private insurance company.

Unquantifiable

Department of Health

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Securing health care for those who need it.			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Transfers to/from Central Funds</u>			
A	Take up of Invest to Save round 8 and 9 budget awards.	624,000	
<u>Take up of Departmental Unallocated Provision</u>			
A	To meet additional clinical negligence provisions.	1,134,000,000	
<u>Changes in operating appropriations-in-aid (not offset by changes in spending)</u>			
F	Revised forecast of Credit Guarantee Finance interest income.		-1,054,000
H	Latest forecast of National Insurance contributions income from HM Revenue and Customs.		-117,356,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
F	Revised forecast of NHS impairments.		-19,965,000
F	Revision of Credit Guarantee Finance cost of capital charges.		-336,000
F	Transfer of patients benefits from Department for Work and Pensions	109,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A	From Rfr2, Section A - Departmental administration.	1,237,000	
A	From Rfr2 Section B - NHS purchasing and supplies authority.	4,215,000	
A	To Rfr2 Section C- Other services.		-4,361,000
A	To Rfr2 Section D - European Economic Area medical costs and Welfare food scheme.		-69,800,000
A	From Rfr2 Section E other personal social services.	8,323,000	

A From RfR2 Section U - Grant in aid to NDPBs.	44,069,000	
B From RfR2 Section C - Other services. Reattribution of budgets within the overall DH central budget programme to reflect latest spending plans, particularly the transfer to RfR2 Section D to meet the additional costs of demand led EEA medical costs and welfare foods, and final budgets for grants to arms lengths bodies.	1,150,000	
A To Rfr3, Section A - Reattribution of budget to grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts to meet the latest forecast.		-1,350,000

Other spending in Departmental expenditure limits(DEL)

A Increase in strategic health authorities and primary care trusts unified budgets and central allocations. Income recorded under RfR2 Section F medicines and healthcare products regulatory authority allows for this DEL increase.	741,000	
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Resource transfers within the Request for Resources

A Reduction in strategic health authorities and primary care trusts' unified budgets and central allocations. Reattribution of budgets to lines B and D to reflect the latest cost of demand led family health services.		-45,700,000
B Increase in budget for FHS - pharmaceutical services to reflect latest forecast of expenditure for these demand led services	14,700,000	
D Increase in budget for FHS - general ophthalmic services to reflect latest forecast of expenditure for these demand led services	31,000,000	
A Increase in strategic health authorities and primary care trusts unified budgets and central allocations.	26,853,000	
E Reduction in PCT's forecast expenditure on current grants to local authorities		-26,853,000
A Decrease in strategic health authorities and primary care trusts unified budgets and central allocations.		-5,461,000
G Increase to reflect latest forecast of grant funding required following finalisation of NDPB spending plans.	5,461,000	

Transfers to/from non-voted spending

A Transfer from non-voted budgets to take account of the reattribution of voted and non-voted resources to meet additional clinical negligence costs, amendments to the to the budgeting treatment for impairments for trusts (£598.931 million) and the finalisation of spending plans of NDPBs (£-37.506million).	1,261,425,000	
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Changes in non-budget spending

G Reduction to reflect latest forecast of grant funding following finalisation of NDPB budget spending plans.	-4,975,000
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Transfers to capital from capital grants

A Reduction to reflect latest forecast of capital grants by PCTs.	-42,028,000
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E Reduction to reflect latest forecast of capital grants by PCTs.	-53,601,000
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Transfers to resource spending from capital spending (not capital grants)

A Latest forecast of loss on disposal of assets.	11,715,000
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Changes in operating appropriations-in-aid (fully offset by changes in spending)

A Decrease in strategic health authorities and primary care trusts unified budgets and central allocations offset by decrease in prescription charge income	-30,845,000
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C Decrease in prescription charge income offsetting decrease in strategic health authorities and central allocations Change in the level of prescription charge income.	30,845,000
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A Increase in strategic health authorities and primary care trusts unified budgets and central allocations offset by increase in forecast of trusts dividends and loans.	33,636,000
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G Updated forecast of interest and dividends on loans to provided to Trusts.	-33,636,000
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Total change in resources for RfR1	<u>2,610,103,000</u>	<u>-457,321,000</u>	2,152,782,000
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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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Changes related to movements in budgetsTake up of DEL End-Year Flexibility

A For additional non recurrent administration costs, including professional regulation, leadership and reviewing modernisation of medical careers.	6,000,000
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Transfers of budgetary cover to/from other government departments

A Line A departmental administration. From the Cabinet Office for services of the Parliamentary counsel.	370,000
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Department of Health

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E Transfer with the Ministry of Justice correcting and initial transfer of capital grant (Capital DEL) and capital charge budgets for care standards tribunals.	60,000	-60,000
 <u>Transfers from resource spending to capital spending (capital grants)</u>		
E New grants for older peoples services and care homes.	115,740,000	
C Finalisation of central budget spending programme.	300,000	
 <u>Other changes</u>		
 <u>Resource transfers to/from another Request for Resources</u>		
Transfers from RFR1.		
A Departmental administration.		-1,237,000
B NHS Purchasing and Supplies Authority.		-4,215,000
C Other services.	3,211,000	
D European economic area medical cost and welfare food scheme.	69,800,000	
E Other PSS.		-8,323,000
 <u>Changes in operating appropriations-in-aid (not offset by changes in spending)</u>		
F Medicines and Health Care Products Regulatory Authority - interest and dividends from loans.		-741,000
 <u>Resource transfers within the Request for Resources</u>		
C Reattribution of budgets within the overall DH central programme.	15,624,000	
E Reattribution of budgets within the overall DH central programme.		-15,624,000
E Increase in central DH spending on grants.	4,257,000	
O Reduction in direct grants to local authorities.		-1,250,000
R Reduction in direct grants to local authorities.		-278,000
T Reduction in direct grants to local authorities.		-2,729,000
 <u>Transfers to/from non-voted spending</u>		
A Finalisation of spending plans of NDPBs.		-26,000
E Finalisation of spending plans of NDPBs.	1,000,000	

Changes in non-budget spending

U Latest forecast of grants to NDPBs taking account of slippage on change programme and finalisation of individual NDPBs-budgets within overall programme. Also additional grant-in-aid to allow for a transfer of pensions scheme for the National Biological Standards Board.		-58,250,000
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Changes in operating appropriations-in-aid (fully offset by changes in spending)

A Updated forecasts of expenditure and income in year.	2,024,000	-2,024,000
C Updated forecasts of expenditure and income in year.	1,095,000	-1,095,000
D Updated forecasts of expenditure and income in year.	22,500,000	-22,500,000

	<u>Total</u>	241,981,000	-118,352,000
Total change in resources for RfR2			123,629,000

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Other changes

Changes in non-budget spending

A Transfer from RFR1 to meet latest forecast of grant to the Regulator.	1,350,000	
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	<u>Total</u>	1,350,000	-
Total change in resources for RfR3			1,350,000

Total change in resources for Estimate			2,277,761,000
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Changes in Capital

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Changes related to movements in budgets

Transfers to/from Central Funds

A Take up of Invest to Save round 8 and 9 budget awards.	214,000	
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Changes in Annually Managed Expenditure(AME)

F To reflect latest forecast of loans issued under the Credit Guarantee Finance scheme.		-8,826,000
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Other changesTransfers to/from non-voted spending

A Transfer from Trusts capital allocation to reflect latest budgeting plans of NHS bodies.		63,044,000
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Transfers from capital grants to capital

A To reflect PCT's and SHA's latest forecasts of attribution of capital budgets between direct capital spending and capital grants.		42,028,000
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E To reflect PCT's and SHA's latest forecasts of attribution of capital budgets between direct capital spending and capital grants.		53,601,000
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Changes in non-budget spending

G Reduction in PDC allocations and loans to reflect the latest plans for financing of trusts.		-108,229,000
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G To reflect latest spending plans of NDPBs.		2,757,000
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Changes in non-operating appropriations-in-aid (fully offset by changes in spending)

A Increase in both gross spending and AinA to reflect the latest forecast of PCTs and SHAs land sales.		167,000,000	-167,000,000
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G Increase in the issue and repayment of PDC and loans to reflect latest plans for financing of trusts.		368,537,000	-368,537,000
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RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's healthTransfers from capital grants to capital

Section C - Other services.

C Grants finalisation of central budget plans.		-300,000
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E Transfer from RfR1 line A to enable new capital grants for older peoples services and care homes.		-115,740,000
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	<u>Total</u>	697,181,000	-768,632,000
Total change in capital for Estimate			-71,451,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £325,188,000.

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

Department of Health

Part I

£

RfR 1: Securing health care for those who need it. 2,152,782,000

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 123,629,000

RfR 3: Office of the Independent Regulator for NHS Foundation Trusts 1,350,000

Total additional net resource requirement 2,277,761,000

Additional net cash requirement 325,188,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department of Health on:

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

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

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

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

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

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

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

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

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Securing health care for those who need it.						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1 - A	Strategic health authorities and primary care trusts unified budgets and central allocations	84,621,799	2,327,293	-	2,327,293	86,949,092
RfR 1 - B	FHS- pharmaceutical services	1,059,345	15,850	-	15,850	1,075,195
RfR 1 - C	FHS- prescription charges income	-451,845	-	-30,845	30,845	-421,000
RfR 1 - D	FHS - general ophthalmic services	379,000	31,000	-	31,000	410,000
<i>Support for local authorities</i>						
RfR 1 - E	Strategic health authorities and primary care trusts grants to local authorities	348,788	-80,454	-	-80,454	268,334
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
RfR 1 - F	Hospital financing for credit guarantee finance pilot projects, benefits for patients moving from prison to hospital and certain health authority and primary care trust impairments	93,111	-20,192	1,054	-21,246	71,865
Non-Budget						
RfR 1 - G	Grant in aid to non-departmental public bodies, NHS trusts and foundation trusts PDC issues and repayments, NHS trusts and foundation trusts loans and repayments and repayment of interest	-936,538	486	33,636	-33,150	-969,688
RfR 1 - H	NHS contributions	-17,098,862	-	117,356	-117,356	-17,216,218
Total RfR 1			2,273,983	121,201	2,152,782	

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

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 2 - A	Central department	236,396	7,131	2,024	5,107	241,503
RfR 2 - B	NHS Purchasing and Supply Authority	28,987	-4,215	-	-4,215	24,772
RfR 2 - C	Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services	305,880	20,680	1,095	19,585	325,465
RfR 2 - D	Welfare food and European Economic Area and other countries medical costs	749,992	92,300	22,500	69,800	819,792
RfR 2 - E	Other personal social services	179,581	96,600	-	96,600	276,181

Department of Health		Spring Supplementary Estimate, 2007-08				
RfR 2 - F	Medicines and Healthcare Products Regulatory Agency loans, repayment of loans and interest on loans	-1	-	741	-741	-742
<i>Support for local authorities</i>						
RfR 2 - O	Children and adolescents mental health grant	90,539	-1250	-	-1,250	89,289
RfR 2 -R	Prevention services pilots- older people	40,000	-278	-	-278	39,722
RfR 2 - T	Individual Budget Pilots	6,000	-2729	-	-2,729	3,271
Non-Budget						
RfR 2 - U	Grant in aid funding of non-departmental public bodies and special health authorities	352,960	-58250	-	-58,250	294,710
Total RfR 2			149,989	26,360	123,629	
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts						
Non-Budget						
RfR 3 - A	Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts	12,657	1,350	-	1,350	14,007
Total RfR 3			1,350	-	1,350	
Total Changes to RfRs			2,425,322	147,561	2,277,761	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	3,465,451	464,086	3,929,537
Non-Operating A in A	1,273,001	535,537	1,808,538
Net cash requirement	70,754,822	325,188	71,080,010

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Securing health care for those who need it.								
-	90,442,849	705,820	91,148,669	20,981,089	70,167,580	3,905,054	1,808,537	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Strategic health authorities and primary care trusts unified budgets and central allocations								
-	88,858,134	242,858	89,100,992	2,151,900	86,949,092	1,750,212	340,000	
B FHS- pharmaceutical services								
-	1,075,195	-	1,075,195	-	1,075,195	-	-	
C FHS- prescription charges income								
-	2,500	-	2,500	423,500	-421,000	-	-	
D FHS - general ophthalmic services								
-	410,050	-	410,050	50	410,000	-	-	
<i>Support for local authorities</i>								
E Strategic health authorities and primary care trusts grants to local authorities								
-	-	268,334	268,334	-	268,334	-	-	
<i>FHS- general dental services</i>								
-	-	-	-	-	-	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
F Hospital financing for credit guarantee finance pilot projects, benefits for patients moving from prison to hospital and certain health authority and primary care trust impairments								
-	96,970	-	96,970	25,105	71,865	43,183	-	
Non-Budget								
Grant in aid to non-departmental public bodies, NHS trusts and foundation trusts PDC issues and repayments, NHS trusts and foundation trusts loans and repayments and repayment of interest								
-	-	194,628	194,628	1,164,316	-969,688	2,111,659	1,468,537	
H NHS contributions								
-	-	-	-	17,216,218	-17,216,218	-	-	
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								
236,942	1,178,673	2,303,382	3,718,997	59,052	3,659,945	24,483	1	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Central department								
236,942	10,500	-	247,442	5,939	241,503	22,361	1	
B NHS Purchasing and Supply Authority								
-	25,280	-	25,280	508	24,772	122	-	
C Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services								
-	251,234	76,594	327,828	2,363	325,465	2,000	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
	1	2	3	4	5	6	7	8
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
D	Welfare food and European Economic Area and other countries medical costs							
	-	869,292	-	869,292	49,500	819,792	-	-
E	Other personal social services							
	-	22,367	253,814	276,181	-	276,181	-	-
F	Medicines and Healthcare Products Regulatory Agency loans, repayment of loans and interest on loans							
	-	-	-	-	742	-742	-	-
<i>Support for local authorities</i>								
G	AIDS Support Grant							
	-	-	19,600	19,600	-	19,600	-	-
H	Services for people with a mental illness including services under the mental capacity act							
	-	-	147,525	147,525	-	147,525	-	-
I	Carers' grant							
	-	-	185,000	185,000	-	185,000	-	-
J	Preserved rights grants							
	-	-	275,248	275,248	-	275,248	-	-
K	Improving Information Management (Capital)							
	-	-	25,000	25,000	-	25,000	-	-
L	National Training Strategy							
	-	-	107,859	107,859	-	107,859	-	-
M	Access and systems capacity grant							
	-	-	546,000	546,000	-	546,000	-	-
N	Human resources development strategy							
	-	-	49,750	49,750	-	49,750	-	-
O	Children and adolescents mental health grant							
	-	-	89,289	89,289	-	89,289	-	-
P	Delayed discharge grant							
	-	-	100,000	100,000	-	100,000	-	-
Q	Assertive technology: older people							
	-	-	50,000	50,000	-	50,000	-	-
R	Prevention services pilots- older people							
	-	-	39,722	39,722	-	39,722	-	-
S	Extra care housing grant							
	-	-	40,000	40,000	-	40,000	-	-
T	Individual Budget Pilots							
	-	-	3,271	3,271	-	3,271	-	-
	<i>Residential allowance grant</i>							
	-	-	-	-	-	-	-	-
Non-Budget								
U	Grant in aid funding of non-departmental public bodies and special health authorities							
	-	-	294,710	294,710	-	294,710	-	-

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 3: Office of the Independent Regulator for NHS Foundation Trusts								
-	-	14,007	14,007	-	14,007	-	-	
Non-Budget								
A Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts								
-	-	14,007	14,007	-	14,007	-	-	
Total for Estimate:								
236,942	91,621,522	3,023,209	94,881,673	21,040,141	73,841,532	3,929,537	1,808,538	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	71,563,771	2,277,761	73,841,532
Voted capital items			
Capital	3,465,451	464,086	3,929,537
<i>Less:</i> Non-operating A in A	<u>1,273,001</u>	<u>535,537</u>	<u>1,808,538</u>
Total net voted capital	2,192,450	-71,451	2,120,999
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-891,344	16,644	-874,700
Depreciation	-999,925	134,637	-865,288
New provisions and adjustments to previous provisions	-2,210,290	-986,791	-3,197,081
Profit/loss on sale of assets	-	-11,715	-11,715
Prior period adjustments	-	-	-
Other non-cash items	-625	103	-522
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-1,034,000	-1,034,000
Use of provisions	<u>1,100,785</u>	<u>-</u>	<u>1,100,785</u>
Total accruals to cash adjustments	-3,001,399	-1,881,122	-4,882,521
Excess cash to be CFERd	-	-	-
Net Cash Requirement	70,754,822	325,188	71,080,010

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	-
RfR2	231,003
RfR3	-
Total Net Administration Costs	231,003
Net Programme Costs	
RfR1	70,167,580
RfR2	3,428,942
RfR3	14,007
Total Net Programme costs	73,610,529
Total Net Operating Cost	73,841,532
<i>of which:</i>	
Net Resource Requirement	73,841,532
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	90,065,461

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	73,841,532
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	73,841,532
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-11,715
Capital grants	-368,571
European Union income related to capital grants	-
voted expenditure outside the budget	18,380,534
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-10,115
unallocated resource provision	3,012
Other adjustments	-1,769,216
Resource Budget (Budget)	90,065,461
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	89,535,588
Annually Managed Expenditure (AME)	529,873

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	2,120,999
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	96,278
capital grants	368,571
European Union income related to capital grants	-
supported capital expenditure (revenue)	50,327
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	1,727,180
Capital Budget (Budget)	4,363,355
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,320,172
Annually Managed Expenditure (AME)	43,183

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Mr David Nicholson , NHS Chief Executive
Request for Resources 2	Mr Hugh Taylor , Permanent Head
Request for Resources 3	Mr Hugh Taylor , Permanent Head

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

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

In accordance with the Managing Public Money requirement the relationship between the Principal Accounting Officer and the Additional Accounting Officer(s) and with their Ministers, together with their respective responsibilities is set out in writing.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

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

Programme	20,981,089
<i>of which</i>	
Sale of goods and services	2,570,950
Regulatory licences, fines, penalties and taxes	17,220,718
Interest and dividends	1,189,421
Total RfR1	20,981,089 †

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

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

Administration	5939
<i>of which</i>	
Sale of goods and services	5939
	-
	-
Programme	53,113
<i>of which</i>	
Sale of goods and services	52,371
Interest and dividends	742
Total RfR2	59,052 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from; administration income from seconded officers; cost of legal proceedings; Employment Opportunities Fund programme; staff telephone calls; staff lease car scheme; European Fast Stream programme; recoveries from other government departments and non-departmental public bodies; income from the NHS, local authorities, and Medicines and Healthcare Products Regulatory Agency for goods and services; staff accommodation; reimbursement of meeting expenses and selling services into wider markets, library income and open government; income from commercial tenants in DH buildings; NHS Purchasing and Supply income for energy rebates, seconded officers, staff telephone calls, reimbursement of meeting expenses, staff lease car scheme and health protection work; licence fees and royalties; sales of publications on equipment for the disabled; contributions by members of the public;

insurance claims; income by the Human Fertilisation and Embryology Authority; National Biological Standards Board, Health Protection Agency, Health Development Agency, Commission for Social Care Inspection; income from the European Economic Area and other countries for NHS treatment of their residents; sale of subsidised dried milk; income from the European Economic Area and other countries medical costs; contributions from the mobile phone industry; charitable contributions for developing pilot projects with voluntary organisations; contributions to local authority grant schemes; refunds from communications campaigns contracts and contributions towards the cost of communications campaigns; income from penalty charges; interest and dividend income on trading fund loans; income from the Scottish Executive; the National Assembly for Wales, Northern Ireland, Channel Islands and Isle of Man for services provided for devolved or reserved work; income from the European Union for the reimbursement of staff travel expenses and for goods and services.

Total Operating A in A	21,040,141
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Analysis of non - operating appropriations in aid (A in A)

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

Programme	1,808,537
<i>of which:</i>	
Sale of assets	340,000
Loan,etc repayments	1,468,537

Total RfR1	1,808,537 †
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† Amount that may be applied as non-operating appropriations in aid, arising from: capital income from the sale of land, buildings, surplus vehicles and equipment, principal repayment of trading fund loans.

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

Programme	1
<i>of which:</i>	
Sale of assets	1

Total RfR2	1 †
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† Amount that may be applied as non-operating appropriations in aid, arising from: capital income from the sale of land, buildings, surplus vehicles and equipment, repayments of PDC by NHS trusts and NHS foundation trusts.

Total Non-Operating A in A	1,808,538
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Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	2,474,227	-2,467,293	91,266,570	-1,730,982	89,535,588
<i>of which:</i>					
Administration budget †	6,370	-	231,003	-	231,003
Near-cash in RDEL	1,617,979	-1,430,783	86,424,838	-584,733	85,840,105
Capital DEL ††	66,075	-65,801	1,803,265	2,516,907	4,320,172
Less Depreciation †††	114,672	76,313	-785,253	-109,569	-894,822
Total DEL	2,654,974	-2,456,781	92,284,582	676,356	92,960,938

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	22,848,679

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1/G	NHS Blood and Transplant♥	72,820
RfR1/G	Commission for Healthcare Audit and Inspection♥	70,488
RfR1/G	Council for Healthcare Regulatory Excellence♥	574
RfR1/G	Post Graduate Medical Education Training Board♥	2,205
RfR1/G	Commission for Patient and Public Involvement in Health♥	28,894
RfR1/G	NHS Professionals ♥	15,852
RfR1/G	NHS Appointments Commission ♥	3,795
RfR2/U	Health Protection Agency ♥	163,785
RfR2/U	Human Fertilisation and Embryology Authority and Human Tissue Authority ♥	4,193
RfR2/U	General Social Care Council ♥	11,198
RfR2/U	Commission for Social Care Inspection ♥	89,362
RfR2/U	National Biological Standards Board ♥	26,172
RfR3/A	Office of the Independent Regulator for NHS foundation trusts♥	14,007

Department for Transport

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Promoting transport that works for everybody			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
L2	<u>Take up of DEL End-Year Flexibility</u> To increase near cash resource provision for Railways in respect of Crossrail.	43,598,000	
X1, X5	To increase administration near-cash provision for Central Administration to meet various pressures including work on implementing the Eddington report, recruitment costs and building refurbishment costs.	3,642,000	
AJ3	To create a new section for capital grants to the Greater London Authority in respect of Metronet.	150,000,000	
X	<u>Take up of Departmental Unallocated Provision (DUP)</u> To increase administration near-cash provision for Central Administration to meet budget allocations arising from the implementation of the 2007/08 Business Plan.	4,203,000	
N3	<u>Transfers of budgetary cover to/from other government departments</u> To decrease near-cash resource provision for Freight Grants by £500,000 by transfer to the Scottish Executive for the Rail Environmental Benefit Procurement Scheme.		-500,000
<u>Changes in capital grant provision offset by changes in capital provision</u>			
L3	<u>To increase capital grant provision for:</u> Railways by £8,131,000 from Section X in respect of an indexation adjustment to a budget transfer made at the time of the Main Estimate to the Scottish Executive in relation to Scottish rail services.	8,131,000	
V3	Vehicle and Operator Services Agency trading fund by £3,000,000 from Section X for automatic number plate recognition.	3,000,000	
N3	<u>To decrease capital grant provision for:</u> Freight Grants by £6,780,000 by transfer to Section V.		-6,780,000
AF3	Other transport grants (capital) by transfer to:		
	Section B		-4,250,000
	Section E		-1,300,000
	Section V		-4,830,000

<u>Changes in DEL offset by changes in Annually Managed Expenditure</u>			
AG2, E2	To increase non-cash resource AME provision for the Highways Agency by £150,000,000 by transfer from Section E in respect of reclassification of impairments.	150,000,000	-150,000,000
 <u>Re-activation of the AME Section</u>			
To re-activate and re-name the Railways line as 'Railways and other expenditure' to set up:			
AK2	£750,000 non cash resource provision for the Maritime and Coastguard Agency to cover the revaluation of their building estate.	750,000	
AK2	£30,000,000 for the Channel Tunnel Rail Link's provision.	30,000,000	
AK3	£70,000,000 for Rail pension liabilities.	70,000,000	
 <u>Changes in non-budget</u>			
To increase grant-in-aid for:			
AH3	the new Renewable Fuels Agency; and	300,000	
AI3	the Driver and Vehicle Licensing Agency (trading fund) by £40,350,000 for Shared Services (£15,350,000), Morriston Estate modernisation and continuous insurance enforcement (£25,000,000).	40,350,000	
AL3	To create a new non-budget section for capital grants to the Greater London Authority in respect of Metronet.	1,858,000,000	
 <u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
<u>To increase near-cash resource provision:</u>			
B2	Maritime and Coastguard Agency by transfer of £1,700,000 from Section A to cover maritime regulations and enforcement work.	1,700,000	
D2	Transport security and royal travel by transfer of £308,000 from Section G in respect of expenditure for transport security.	308,000	
H2	Statistics, censuses and surveys by transfer of £2,851,000 from Section I to adjust the allocation of consultancy costs.	2,851,000	
X	Central Administration programme by £ 5,800,000 from Section L for Shared Services.	5,800,000	
AE3	Other transport grants (resource) from Section L for cycling and walking (£ 6,117,000), concessionary travel (£10,172,000) and Oystercards (£300,000), and from Section E for de-trunking (£1,849,000).	18,438,000	
 <u>To increase non-cash resource provision:</u>			
A2	Ports and shipping services by £3,000,000 from Section L to cover cost of capital charges for the International Maritime Organisation Headquarters.	3,000,000	

B2	Maritime and Coastguard Agency by £260,000 from Section L for cost of capital charges.	260,000
C2	Aviation services by £2,000,000 from Section L to cover cost of capital charges in respect of a loan to National Air Traffic Services.	2,000,000
<u>To increase capital grant provision:</u>		
L3	Railways by £8,869,000 capital grants from Section AF in respect of an indexation adjustment to a transfer made at the time of the Main Estimate to the Scottish Executive in relation to Scottish rail services.	8,869,000
<u>To decrease near-cash resource provision:</u>		
A2	Ports and shipping services by transfer to Section B.	-1,700,000
E2	Highways Agency by transfer to Section AE.	-1,849,000
G2	Research by transfer to Section D	-308,000
I2	Consultancies and other services for roads and local transport by transfer to Section H.	-2,851,000
L2	Railways by £5,800,000 to Section X and £16,589,000 to Section AE.	-22,389,000
<u>To decrease non-cash resource provision:</u>		
L2	Railways by transfers to:	
	Section A	-3,000,000
	Section B	-260,000
	Section C	-2,000,000
<u>To decrease capital grant provision:</u>		
AF3	Other transport grants (capital) by transfer to Section L.	-8,869,000
<u>Use of near-cash resource switched from non-cash resource</u>		
To increase near cash resource provision by transfer from Section L for:		
B2	Maritime and Coastguard Agency by £2,000,000 to cover the cost of internal re-organisation and £1,100,000 for maritime training under the SMaRT scheme.	3,100,000
X2	Central Administration by £10,025,000 for Shared Services.	10,025,000
AE3	Other transport grants (resource) by £2,028,000 for concessionary travel.	2,028,000
<u>Transfer of non-cash resource to near cash resource</u>		
L2	To decrease non-cash resource provision for Railways by transfer to:	
	Section B	-3,100,000
	Section X	-10,025,000
	Section AE	-2,028,000

	<u>Transfer of non-cash resource to non-voted near-cash resource</u>	
L	To decrease non cash provision for Railways by transfer to non-voted near-cash resource.	-4,847,000
	<u>Transfers to/from non-voted spending</u>	
L2	To decrease near-cash resource provision for Railways by transfer to non-voted.	-5,000,000
L2	To decrease non-cash resource provision for Railways by transfer to non-voted.	-7,740,000
S3	To decrease resource grant provision for Powershift and CleanUp by transfer to non-voted.	-300,000
W2	To increase near-cash resource provision for Vehicle and Operator Services Agency enforcement funded from non-voted receipts.	1,436,000
AF3	To decrease capital grant provision for Other transport grants (capital) by transfer from Local Authorities' major schemes to non-voted.	-59,951,000
L3	To decrease capital grant resource provision for Railways by transfer to non-voted.	-58,439,000
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>	
B2, B5	To increase near-cash resource provision for the Maritime and Coastguard Agency by £5,600,000 to meet higher demand for ship surveys and certification and examination services, fully offset by an increase in appropriation-in-aid provision.	
B2, C5	To increase near-cash resource provision for the Maritime and Coastguard Agency by £4,000,000 to cover increased costs of emergency services, vessel traffic monitoring, receiver of wreck operations and higher fuel costs for helicopters, fully offset by increases in appropriation-in-aid provision for Section C.	
E1, E5	To increase administration near-cash resource provision for the Highways Agency by £1,349,000, fully offset by increases in appropriation-in-aid provision.	

E2, E5	To increase programme near-cash resource provision for the Highways Agency by £24,077,000, fully offset by increases in appropriation-in-aid provision.
L2, L5	To increase near-cash resource provision for Railways by £60,000,000 for Crossrail, fully offset by an increase in appropriations-in-aid provision.
Q2, P5	To decrease near-cash resource provision for the Vehicle Certification Agency enforcement by £300,000, fully offset by a decrease in appropriation-in-aid provision for Section P.
X2, X5	To increase near-cash provision by £650,000 for Transport Direct, fully offset by receipts from the Scottish Executive.
X2, C5	To increase administration near-cash provision by £1,200,000, for Shared Services, fully offset by an increase in appropriation-in-aid provision for Section C.
AE3, T5	To increase near-cash resource provision by £1,883,000 for Cycling and Walking, fully offset by an increase in appropriation-in-aid provision for Section T.
AC1, AC5	To increase administration near-cash provision for the Government Car and Despatch Agency by £4,830,000, fully offset by an increase in appropriation-in-aid provision.

<u>Total</u>	2,421,789,000	-362,316,000.
Total change in resources for RfRI		2,059,473,000

Total change in resources for Estimate		2,059,473,000
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Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Transfers to/from non-voted spending</u>			
V7	To increase capital provision for the Vehicle and Operator Services Agency trading fund by £4,041,000 for refurbishment, equipment and IT schemes.	4,041,000	
<u>Transfers from capital to capital grants</u>			
X7	To decrease capital provision for the central Department by £8,131,000 by transfer to Section L and £3,000,000 to Section V .		-11,131,000

<u>Capital transfers within the Request for Resources</u>			
To increase capital provision for:			
U7	Driving Standards Agency trading fund by transfer from Section Z to cover multi-purpose test centres, the Certificate of Professional Competence and new headquarters.	30,800,000	
V7	Vehicle and Operator Services Agency trading fund by £402,000 from Section G, £3,495,000 from Section Z and £452,000 from Section AC for refurbishment, equipment and IT schemes.	4,349,000	
<u>To decrease capital provision for:</u>			
G7	Research by £402,000 to Section V.		-402,000
Z7	Driver, Vehicle and Operator Group central (including loan pool) to Section U (£30,800,000) and Section V (£3,495,000).		-34,295,000
AC7	Government Car and Despatch Agency by £452,000 to Section V.		-452,000
<u>Changes in capital provision offset by a decrease in capital grant provision</u>			
To increase capital provision for:			
B7	Maritime and Coastguard Agency by £4,250,000 for a helicopter hangar construction by transfer from Section AF.	4,250,000	
E7	Highways Agency for Community Infrastructure by £1,300,000 from Section AF.	1,300,000	
V7	Vehicle and Operator Services Agency trading fund for refurbishment, equipment and IT schemes by £6,780,000 from Section N and £4,830,000 from Section AF.	11,610,000	
<u>Changes in non-operating appropriations-in-aid (fully offset by changes in spending)</u>			
A7, C8	Ports and shipping services for the International Maritime Organisation's Headquarter by £41,000,000, fully offset by an increase in non-operating appropriation-in-aid provision for Section C in respect of a loan repayment.		
		<u>Total</u>	
		56,350,000	-46,280,000
		Total change in capital for Estimate	10,070,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £1,859,129,000.

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

Department for Transport

Part I

£

RfR 1: Promoting transport that works for everybody	2,059,473,000
Total additional net resource requirement	2,059,473,000
Additional net cash requirement	1,859,129,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for Transport on:

RfR 1: Promoting transport that works for everybody

Ports and shipping services; the National Ports Council Pension and Compensation schemes; freight grants; the Maritime and Coastguard Agency; civil and international aviation services including costs relating to type approval testing of electronic screening devices for use in enforcing aviation provisions of the Railways and Transport Safety Act 2003; support for and loans to National Air Traffic Services; the Highways Agency; payments to private consortia for design, build, finance and operate schemes; grants to local authorities, including the Greater London Authority and Merseyrail; payments to local authorities for the maintenance of de-trunked roads; capital grants to Regional Development Agencies for regional infrastructure and promotion, publicity and publications in support of the Highways Agency operations; the operation of the Dartford River crossing; compensation to private tolled undertakings for the imposition of VAT on tolls; loans and other expenditure relating to Other River Crossings; Bus Service Operator Grant; expenditure in connection with the introduction of concessionary Bus Travel for older and eligible disabled people in England; Multi-Modal Studies; promoting efficiencies in sustainable distribution; support to nationalised transport industries; Powershift and CleanUp programmes; Transport Direct; royal travel; transport security; the Commission for Integrated Transport; trans-European network funds; costs relating to the PHARE programme; support for other minor transport services; compensation and pension costs relating to pre-DVLC local authority driver and licensing staff; grants and loans and other expenditure relating to the Driver and Vehicle Licensing Agency (trading fund); Driver and Vehicle Licensing Agency, Vehicle excise duty collection and enforcement related activities, development and operation of systems associated with licensing; Vehicle and Operator Services Agency (trading fund); Vehicle and Operator services Agency enforcement; Driving Standards Agency (trading fund); Vehicle Certification Agency; Vehicle Certification Agency enforcement; speed and red light camera enforcement; grants to Railtrack; British Rail and London Underground; payments and loans under Section 63 of the Railways Act 1993 to Railtrack plc (in administration); PPP Arbiter; grants to the Strategic Rail Authority; the Channel Tunnel Rail Link; Cross London Rail Links Limited; National Freight Company travel concessions; railway industry and National Freight Company pension funds; the British Transport Police; the Renewable Fuels Agency; payments and financial assistance in respect of railways and railways services under Section 6 of the Railways Act 2005; accident investigation; research, development, statistics, censuses and surveys, safety and mobility, publicity, promotion and advice and publications, monitoring, consultancies, selling into wider markets, including export opportunities; subscriptions and contributions to international organisations; compensation; the administration and operation of the department; payments to the Department for Communities and Local Government in respect of certain central services; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; special payments; the central management of, and delivery of services to, the Civil Service and wider public sector; and associated non-cash items.

The Department for Transport will account for this Estimate.

Part II: Changes proposed

Resources	£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Promoting transport that works for everybody						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1 - A	Ports and shipping services	15,338	1,300	-	1,300	16,638
RfR 1 - B	Maritime and Coastguard Agency	120,277	14,660	5,600	9,060	129,337
RfR 1 - C	Aviation services	21,732	2,000	5,200	-3,200	18,532
RfR 1 - D	Transport security and royal travel	26,261	308	-	308	26,569
RfR 1 - E	Highways Agency	1,964,135	-126,423	25,426	-151,849	1,812,286
RfR 1 - G	Research	30,625	-308	-	-308	30,317
RfR 1 - H	Statistics, censuses and surveys	11,287	2,851	-	2,851	14,138
RfR 1 - I	Consultancies and other services for roads and local transport	10,389	-2,851	-	-2,851	7,538
RfR 1 - L	Railways	3,857,763	1,770	60,000	-58,230	3,799,533
RfR 1 - N	Freight Grants	25,508	-7,280	-	-7,280	18,228
RfR 1 - P	Vehicle Excise Duty enforcement	-300	-	-300	300	-
RfR 1 - Q	Vehicle Certification Agency enforcement	1,300	-300	-	-300	1,000
RfR 1 - S	Power Shift and CleanUp	18,000	-300	-	-300	17,700
RfR 1 - T	Dartford River Crossing	-67,000	-	1,883	-1,883	-68,883
RfR 1 - V	Vehicle and Operator Services Agency trading fund	-841	3,000	-	3,000	2,159
RfR 1 - W	Vehicle and Operator Services Agency enforcement	17,721	1,436	-	1,436	19,157
RfR 1 - X	Central Administration	209,646	24,804	-66	24,870	234,516
RfR 1 - AC	Government Car and Despatch Agency	-	4,830	4,830	-	-
<i>Support for Local Authorities</i>						
RfR 1 - AE	Other transport grants (resource)	562,284	22,349	-	22,349	584,633
RfR 1 - AF	Other transport grants (capital)	1,086,183	-79,200	-	-79,200	1,006,983
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
RfR 1 - AG	Highways Agency	3,445,924	150,000	-	150,000	3,595,924
Non-Budget						
RfR 1 - AH	Grant in Aid funding of NDPBs and Public Corporations	182,700	300	-	300	183,000
RfR 1 - AI	Driver and Vehicle Licensing Agency (trading fund)	228,508	40,350	-	40,350	268,858

Spending in Departmental Expenditure Limits (DEL)*Support for Local Authorities*

RfR 1 - AJ Other grants to GLA	-	150,000	-	150,000	150,000
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Spending in Annually Managed Expenditure (AME)*Central Government spending*

RfR 1 - AK Railways and other expenditure	-	100,750	-	100,750	100,750
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Non-Budget

RfR 1 - AL Other grants to GLA	-	1,858,000	-	1,858,000	1,858,000
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Total RfR 1

2,162,046	102,573	2,059,473
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Total Changes to RfRs

2,162,046	102,573	2,059,473
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	£000		
	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	1,151,859	51,070	1,202,929
Non-Operating A in A	29,191	41,000	70,191
Net cash requirement	11,815,150	1,859,129	13,674,279

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Promoting transport that works for everybody								
321,930	6,849,288	10,035,469	17,206,687	528,424	16,678,263	1,202,929	70,191	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Ports and shipping services								
-	18,098	-	18,098	1,460	16,638	45,493	-	
B Maritime and Coastguard Agency								
-	142,837	-	142,837	13,500	129,337	11,750	-	
C Aviation services								
-	25,198	51,325	76,523	57,991	18,532	257	41,000	
D Transport security and royal travel								
-	19,569	7,000	26,569	-	26,569	680	-	
E Highways Agency								
96,477	1,777,460	-	1,873,937	61,651	1,812,286	1,077,665	16,256	
F Publicity and advice								
-	16,476	3,521	19,997	-	19,997	-	-	
G Research								
-	30,317	-	30,317	-	30,317	2,391	-	
H Statistics, censuses and surveys								
-	14,138	-	14,138	-	14,138	1,000	-	
I Consultancies and other services for roads and local transport								
-	7,263	350	7,613	75	7,538	-	-	
J Mobility and Inclusion Unit								
-	2,297	3,745	6,042	20	6,022	-	-	
K Strategic Transport Studies								
-	1,500	-	1,500	-	1,500	-	-	
L Railways								
-	632,451	3,431,623	4,064,074	264,541	3,799,533	-	-	
M Commission for Integrated Transport								
-	1,500	-	1,500	-	1,500	-	-	
N Freight Grants								
-	10,000	8,228	18,228	-	18,228	-	-	
O Bus Service Operator Grant								
-	413,521	-	413,521	-	413,521	-	-	
P Vehicle Excise Duty enforcement								
-	-	-	-	-	-	-	-	
Q Vehicle Certification Agency enforcement								
-	1,000	-	1,000	-	1,000	-	-	
R Vehicle Certification Agency								
-	10,932	-	10,932	10,820	112	300	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000	
	1	2	3	4	5	6	7	8	
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
S	Power Shift and CleanUp	-	9,000	8,700	17,700	-	17,700	-	-
T	Dartford River Crossing	-	-	-	-	68,883	-68,883	-	-
U	Driving Standards Agency trading fund	-	935	-	935	1,740	-805	30,800	2,052
V	Vehicle and Operator Services Agency trading fund	-	2,852	3,000	5,852	3,693	2,159	20,000	5,743
W	Vehicle and Operator Services Agency enforcement	-	19,157	-	19,157	-	19,157	-	-
X	Central Administration	203,310	37,112	-	240,422	5,906	234,516	11,622	-
Y	Trans-European network payments for transport projects (net)	-	-	3	3	-	3	-	-
Z	Driver, Vehicle and Operator Group central (including loan pool)	-	-	-	-	-	-	-	-
AA	Other River Crossings	-	27,001	-	27,001	16,001	11,000	-	-
AB	Haulage efficiency and modernisation projects	-	2,000	-	2,000	-	2,000	-	-
AC	Government Car and Despatch Agency	22,143	-	-	22,143	22,143	-	971	140
Support for Local Authorities									
AD	GLA Transport Grant (resource)	-	-	2,396,500	2,396,500	-	2,396,500	-	-
AE	Other transport grants (resource)	-	-	584,633	584,633	-	584,633	-	-
AF	Other transport grants (capital)	-	-	1,006,983	1,006,983	-	1,006,983	-	-
Spending in Annually Managed Expenditure (AME)									
Central Government spending									
AG	Highways Agency	-	3,595,924	-	3,595,924	-	3,595,924	-	-
Non-Budget									
AH	Grant in Aid funding of NDPBs and Public Corporations	-	-	183,000	183,000	-	183,000	-	5,000
AI	Driver and Vehicle Licensing Agency (trading fund)	-	-	268,858	268,858	-	268,858	-	-
Spending in Departmental Expenditure Limits (DEL)									
Support for Local Authorities									

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000	
1	2	3	4	5	6	7	8		
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
AJ	Other grants to GLA	-	-	150,000	150,000	-	150,000	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
AK	Railways and other expenditure	-	30,750	70,000	100,750	-	100,750	-	-
Non-Budget									
AL	Other grants to GLA	-	-	1,858,000	1,858,000	-	1,858,000	-	-
Total for Estimate:									
	321,930	6,849,288	10,035,469	17,206,687	528,424	16,678,263	1,202,929	70,191	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	14,618,790	2,059,473	16,678,263
Voted capital items			
Capital	1,151,859	51,070	1,202,929
<i>Less: Non-operating A in A</i>	<i>29,191</i>	<i>41,000</i>	<i>70,191</i>
Total net voted capital	1,122,668	10,070	1,132,738
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,822,213	-49,076	-2,871,289
Depreciation	-947,589	-97,533	-1,045,122
New provisions and adjustments to previous provisions	-289,729	103,599	-186,130
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-816	-	-816
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-48,766	-173,751	-222,517
Use of provisions	182,805	6,347	189,152
Total accruals to cash adjustments	-3,926,308	-210,414	-4,136,722
Excess cash to be CFERd	-	-	-
Net Cash Requirement	11,815,150	1,859,129	13,674,279

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	10,339	<i>10,339</i>	11,339	<i>11,339</i>
Non-operating income not classified as A in A	1,662	<i>1,662</i>	1,662	<i>1,662</i>
Other amounts collectable on behalf of the Consolidated Fund	145,158	<i>145,158</i>	109,577	<i>109,577</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	157,159	<i>157,159</i>	122,578	<i>122,578</i>

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	292,717
Total Net Administration Costs	292,717
Net Programme Costs	
RfR1	16,374,207
Non-voted	
Total Net Programme costs	16,374,207
Total Net Operating Cost	16,666,924
<i>of which:</i>	
Net Resource Requirement	16,678,263
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-11,339
Resource Budget	10,593,574

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	16,678,263
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-11,339
Other adjustments	-
Net Operating Costs (Accounts)	16,666,924
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-4,363,415
European Union income related to capital grants	27,666
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	1,000
resource consumption of non-departmental public bodies	-2,007,725
unallocated resource provision	108,741
Other adjustments	160,383
Resource Budget (Budget)	10,593,574
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	6,896,900
Annually Managed Expenditure (AME)	3,696,674

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	1,132,738
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-1,662
capital spending by non departmental public bodies	52,059
capital grants	4,363,415
European Union income related to capital grants	-27,666
supported capital expenditure (revenue)	1,310,457
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	355,432
Capital Budget (Budget)	7,184,773
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,184,773
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Robert Devereux, Permanent Head of the Department

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

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Promoting transport that works for everybody	
Administration	28,904
<i>of which:</i>	
Sale of goods and services	28,904
Programme	499,520
<i>of which:</i>	
Sale of goods and services	155,094
Regulatory licences, fines, penalties and taxes	-
EU income	50,450
Other grant income (including repayment of grants/subsidies)	263,651
Interest and dividends	29,125
CFERs	-
Other income (including receipts)	1,200
Total RfR1	528,424 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: research, statistical and administrative services; fee paying enquiries; dissemination and sales of information, royalties, the loan and hire of equipment, seminars, conferences, and publication (in print and non-print media); sponsorship, including contributions from co-sponsors, other government departments, agencies and non-departmental public bodies towards the cost of research, surveys and studies; receipts from the European Union including receipts relating to the PHARE programme, donations, legal claims, including extra-contractual claims for defective work; awards of court costs and out of court settlements; receipts from the use of accommodation; rental income and receipts from property and land;

the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; fees for driving assessments; speed and red light camera fixed penalty receipts; fines from wheelclamping and continuous registration; charges for vehicle and component testing; recoveries from local authorities in respect of public enquiries 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 under section 63 of the

Railways Act 1993 to Railtrack plc (in administration); receipts from the Strategic Rail Authority and the British Transport Police Authority; the Channel Tunnel Rail Link, Eurostar and the Scottish Executive; receipts in respect of railways and railway services; fees and receipts from the surveys of ships, Port State Control inspections, examinations and the certification of seafarers and receipts from the Learning and Skills Council for SmarT seafarer training; recoveries in respect of the International Maritime Organisation building; the Mersey Conservancy; shipping services; ports and associated pension and compensation schemes and receipts from outside organisations in respect of the provision by MAIB staff of investigation expertise and training; Eurocontrol; subsidy provided under the New Deal - Welfare to Work; repayments of deemed and voted loans made to the Driver and Vehicle

Licensing Agency; receipts in respect of Vehicle Excise duty enforcement activities; Vehicle and Operator Services Agency and the Driving Standards Agency; plus Other River Crossings; payments from the Department for Communities and Local Government in respect of certain central services; payments from the Department for Work and Pensions in respect of transitional administration costs; receipts from the trading and programme activities of the Government Car Despatch Agency; and receipts relating to the administration and operation of the department.

Total Operating A in A	528,424
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Analysis of non - operating appropriations in aid (A in A)

Department for Transport**Spring Supplementary Estimate, 2007-08**

Programme	70,191
<i>of which:</i>	
Sale of assets	57,396
Loan, etc., repayments	12,795

Total RfR1	70,191 †
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† Amounts that may be applied as non-operating appropriations in aid, arising from: the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan or hire of equipment; the sale of motorway service area freeholds; repayments of loans or other payments made to National Air Traffic Services; repayments of loans or other payments made under Section 63 of the Railways Act 1993 to Railtrack plc (in administration); the Channel Tunnel Rail Link; repayments of deemed and voted loans made to the Driver and Vehicle Licensing Agency; Vehicle and Operator Services Agency, the Driving Standards Agency and the British Transport Police Authority.

Total Non - operating A in A	70,191
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2007-08 provision	
		Income	Receipts
Tyne Tunnel	Φ	-	-
Second Mersey Tunnel	Φ	1,662	1,662
Bus Service Operator Grant	Φ	300	300
Highways Agency	Φ	10,000	10,000
Maritime and Coastguard Agency		1,000	1,000
Driver and Vehicle Licensing Agency (trading fund)	Φ	109,577	109,577
Central Administration	Φ	39	39
Total		122,578	122,578

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-115,508	86,931	6,335,982	560,918	6,896,900
<i>of which:</i>					
Administration budget*	7,845	-2,703	293,026	1,500	294,526
Near-cash in RDEL	62,232	79,191	5,852,661	717,593	6,570,254
Capital**	35,651	605,744	5,473,487	1,711,286	7,184,773
Less Depreciation†	9,174	-37,693	-348,535	-43,261	-391,796
Total	-70,683	654,982	11,460,934	2,228,943	13,689,877

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

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

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

Cash which may be retained to offset expenditure

£'000

598,615

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

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1 - I	Local Transport Consultancy	1,014
RfR1 - I	Government Office programme expenditure	550
RfR1 - I	Transport Analysis and Economic Consultancies	500
RfR1 - L	International subscriptions OECD	460
RfR1 - AE	Centres of Excellence	100

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1 - AH	British Transport Police Authority	5,400
RfR1 - AH	Rail Passenger Council	4,500
RfR1 - AH	London and Continental Railways	172,800
RfR1 - AH	Renewable Fuels Agency	300
RfR1 - AI	Driver and Vehicle Licensing Agency (trading fund)	268,858
		451,858

International subscriptions

RfR/Section	Body	£ '000
RfR1 - B	Maritime and Coastguard Agency	1,000
RfR1 - C	International Civil Aviation Organisation	2,000
RfR1 - L	Organisation for Economic Co-operation and Development	460
		3,460

Contingent liabilities

Non-stautory liabilities

An indemnity provided to Network Rail for Crossrail. Unquantifiable

Office of Rail Regulation

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation.			
<u>Section</u>	<u>Reason for change</u>		
		<u>Total</u>	
		-	-
		Total change in resources for RfR1	
			-
		Total change in resources for Estimate	
			-

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
	<u>Take up of End Year Flexibility</u>	250,000	
A	The requirement for EYF is the result of slippage of an IT 'Wide Area Network' project. The project was budgeted for in 2006-07 but some of the work was carried over into the current financial year and last year's capital underspend will be used to meet the costs.		
		<u>Total</u>	
		250,000	-
		Total change in capital for Estimate	
			250,000

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

Office of Rail Regulation

Part I

	£
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation.	-
Total additional net resource requirement	-
Additional net cash requirement	250,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Office of Rail Regulation on:

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

Administration, capital expenditure and associated non-cash items.

The **Office of Rail Regulation** 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: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation.						
Spending in Departmental Expenditure Limits (DEL)						
RfR 1 - A	Administration, associated capital and other expenditure	1	-	-	-	1
RfR1 - B	Rail Safety Regulation	1	-	-	-	1
	Total RfR 1		-	-	-	
	Total Changes to RfRs		-	-	-	

	£000		
	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	500	250	750
Non-Operating A in A	-	-	-
Net cash requirement	4,546	250	4,796

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.								
32,689	-	15	32,704	32,702	2	750	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration, associated capital and other expenditure								
13,817	-	7	13,824	13,823	1	750	-	
B Rail Safety Regulation								
18,872	-	8	18,880	18,879	1	-	-	
Total for Estimate:								
32,689	-	15	32,704	32,702	2	750	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	2	-	2
Voted capital items			
Capital	500	250	750
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	500	250	750
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-119	-	-119
Depreciation	-961	-	-961
New provisions and adjustments to previous provisions	-25	-	-25
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-35	-	-35
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	5,178	-	5,178
Use of provisions	6	-	6
Total accruals to cash adjustments	4,044	-	4,044
Excess cash to be CFERd	-	-	-
Net Cash Requirement	4,546	250	4,796

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	<u>2</u>
Total Net Administration Costs	2
Net Programme Costs	
RfR1	<u>-</u>
Total Net Programme costs	-
Total Net Operating Cost	2
<i>of which:</i>	
Net Resource Requirement	2
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	2

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	2
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	2
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	2
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	750
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	750
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	750
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Bill Emery, permanent head of department

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

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation.	
Administration	32,702
<i>of which:</i>	
Sales of goods and services	-
Regulatory licences, fines, penalties and taxes	32,702
Total RfR1	32,702 †
<i>† Amount that may be applied as appropriations in aid in addition to the net total, arising from: recoveries in respect of the administration of the Office of Rail Regulation, including charges for courses, officers loaned to other organisations; income from publications and Library service; travel costs recovered from the European Union (EU); income from recovery actions in connection with the successful outcome of Judicial review; and receipts of licence fees.</i>	
Total Operating A in A	32,702

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-	-	2	-	2
<i>of which: †</i>					
Administration budget	-	-	2	-	2
Near-cash in RDEL	-	-	-1,138	6	-1,132
Capital DEL ††	250	-	750	-	750
Less Depreciation †††	-	-	-961	-	-961
Total DEL	250	-	-209	-	-209

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

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

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

Cash which may be retained to offset expenditure

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	£'000
	32,702

Department for Innovation, Universities and Skills

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; achieving excellence in levels of skills; and supporting innovation and standards			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
<i>Administration costs (near-cash)</i>			
A	To increase provision for Central administration	4,090,000	
<i>Other resource (non-cash)</i>			
C	To increase provision for Student Loan provision maintenance	63,869,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
D	Transfer out to Ministry of Justice for education costs in prisons		-1,872,000
<u>Other Changes in DEL Spending</u>			
<i>Other resource (non-cash)</i>			
C	To decrease provision for: Student Loan provision maintenance - reclassification from DEL to AME		-515,000,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
J	Student Loan provision maintenance - reclassification from DEL to AME	515,000,000	
U	Building Impairment	20,000,000	
<u>Other changes</u>			
<u>Resource Transfers to/from another Request for Resource</u>			
<i>Administration costs (near-cash)</i>			
A	To decrease provision for Departmental central administration (transferring funding to GO-Science Group administration, RfR2, section G)		-1,625,000

<u>Resource transfers within the Request for Resources</u>			
<i>Other resource (near-cash)</i>			
B	Higher Education	7,860,000	
C	Higher Education	5,200,000	
D	Further Education	-13,060,000	
E	Further education	-2,022,953,000	
H	Further Education 6th Forms	2,022,953,000	
<u>Transfers to/from non-voted spending</u>			
<i>Capital Grants</i>			
F	To decrease provision for Technology Strategy	-10,000,000	
<i>Other Resource (near-cash)</i>			
D	To decrease provision for Further education	-32,476,000	
F	Technology Strategy	-195,100,000	
<u>Changes in non-budget spending</u>			
To increase grant-in-aid provision for:			
K	HEFCE	37,419,000	
N	Student Load Company	12,318,000	
O	Investors In People	600,000	
P	Learning and Skills Council	320,237,000	
Q	Sector Skills Development Agency	17,647,000	
R	Quality Improvement Agency	5,683,000	
S	Technology Strategy Board	205,100,000	
T	Support for Students	384,499,000	
To decrease grant-in-aid provision for:			
L	OFFA	-50,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
To increase provision for expenditure and corresponding appropriations in aid:			
B	Higher Education	4,036,000	-4,036,000
D	Further education	1,226,000	-1,226,000
D	Further Education	270,000	-270,000
F	Knowledge Transfer	4,000,000	-4,000,000
D	Further education	36,000	
H	Further education		-36,000
J	Student Loan Provision Maintenance	206,000,000	-206,000,000
To decrease provision for expenditure and corresponding appropriations in aid:			
D	Further education		-3,967,000
E	Further education	3,967,000	
Increase in provision for appropriations in aid (DEL) offset by grant in aid:			
B	Higher Education		-502,000
B	Higher Education		-434,000
B	Higher Education		-2,000,000
D	International Programmes		-754,000

	Decrease in provision for appropriations in aid (DEL) offset by grant in aid:		
B	Higher Education	10,000,000	
D	Skills	181,000	
E	Further Education	4,746,000	
		<u>Total</u>	<u>3,856,937,000</u>
	Total change in resources for RfR1		-3,015,361,000
			841,576,000

RfR 2: Increasing scientific excellence in the UK and maximising its contribution to societySection Reason for change**Changes related to movements in budgets**Take up of DEL End-Year Flexibility*Capital Grants (Capital DEL)*

To increase provision for:

G	Science and Research Investment fund	5,489,000	
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Changes in Annually Managed Expenditure (AME)*Near-cash*

To increase provision for

K	Swindon Research Council Pensions	200,000	
S	Fees payable under the Animals (Scientific Procedures) Act 1986	27,000	

Other changesResource Transfers to/from another Request for Resource*Administration costs (near-cash)*

To increase provision for

A	GO-Science Group administration (transferring funding to Departmental central administration, RfR2, section A)	1,625,000	
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Resource transfers within the Request for Resources*Capital Grants*

To increase provision for

G	Science and Research Investment Fund	7,306,000	
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To decrease provision for

J	Biotechnology and Biological Science Research Council		-7,306,000
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Take up of Departmental Unallocated Provision*Other resource (near-cash)*

To increase provision for

D	RB Initiatives	5,046,000	
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Resource transfers within the Request for Resources*Other resource (near-cash)*

C	British Academy	1,200,000	
D	RB Initiatives	59,000	
E	Science and Society		-260,000
F	Knowledge Transfer		-999,000

	<u>Transfers to/from non-voted spending</u>	
	<i>Capital Grants</i>	
	To increase provision for	
G	Science and Research Investment Fund	10,163,000
	<i>Other Resource (near-cash)</i>	
	To decrease provision for:	
F	Knowledge Transfer	-6,097,000
	<u>Changes in non-budget spending</u>	
	<i>To increase grant-in-aid provision for</i>	
M	Biotechnology and Biological Science Research Council	9,861,000
O	Engineering and Physical Sciences Research Council	19,499,000
		60,475,000
	Total change in resources for RfR2	-14,662,000
		45,813,000
	Total change in resources for Estimate	887,389,000

Changes in Capital

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; achieving excellence in levels of skills; and supporting innovation and standards

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
	<u>Changes related to movements in budgets</u>		
	<u>Changes in Annually Managed Expenditure (AME)</u>		
	Capital AME		
	To increase provision for		
K	Student Loans Principal Payments	422,821,000	
K	Student Loans Principal Receipts		-76,120,000
K	Student Loans Interest	206,000,000	
		<u>Total</u>	<u>-76,120,000</u>
	Total change in capital for Estimate		552,701,000

- As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £543,672,000.
- Symbols are explained in the Introduction to this booklet.

Department for Innovation, Universities and Skills

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; achieving excellence in levels of skills; and supporting innovation and standards	841,576,000
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society	45,813,000
Total additional net resource requirement	887,389,000
Additional net cash requirement	543,672,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for Innovation, Universities and Skills.

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; achieving excellence in levels of skills; and supporting innovation and standards

Further, higher and other education provision and initiatives for young people and adults; research and related initiatives at institutions delivering higher education; training, skills, enterprise, assessment and advice and guidance provision for young people, adults and employers and related initiatives; financial and other support for students and trainees, including grants, allowances, access funds, loans and their repayment, the resource consequences of loans to students, the cost of sales of the student loan debt, reimbursement of fees for qualifying European Community students, post graduate awards, mandatory student awards, education maintenance allowances and childcare and transport support; investments and loans to support PFI; initiatives and programmes supported by the European Union; international programmes, including payments to the Department of Work and Pensions for the UK subscription to the International Labour Organisation and other international programmes; initiatives to support, improve and promote education, training, skills and student and trainee support; payments to the Department for Business, Enterprise and Regulatory Reform in connection with the Regional Development Agencies and the London Development Agency; innovation and standards, grants in aid and funding for the Higher Education Funding Council for England; the Learning and Skills Council, Investors in People UK, the Student Loans Company, Office for Fair Access, the Quality Improvement Agency, Sector Skills Development Agency, the UK Commission for Employment and Skills, the Technology Strategy Board, innovation and standards, the Design Council and the British Standards Institute; funding for the Construction Industry Training Board, Engineering Construction Industry Training Board and Film Industry Training Board; UK Intellectual Property Office; National Endowment for Science, Technology and the Arts; National Weights and Measures including the National Weights and Measures Laboratory; Information and publicity initiatives and services; departmental and others' costs of administering the above; and income relating to the above.

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

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

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

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

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: To 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; achieving excellence in levels of skills; and supporting innovation and standards						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1 - A	Activities to Support all Functions	71,376	2,455	-	2,455	73,831
RfR 1 - B	Higher Education	155,721	11,306	6,372	4,934	160,655
RfR 1 - C	Higher Education Support for Students	2,335,083	-445,931	-	-445,931	1,889,152
RfR 1 - D	Further Education Skills and international Programmes	264,331	-46,142	30,811	-76,953	187,378
RfR 1 - E	Further Education Receipts from DCSF	-5,186,025	-	1,979,163	-1,979,163	-7,165,188
RfR 1 - F	Science Innovation and Knowledge transfer	354,377	-201,100	4,000	-205,100	149,277
<i>Support for Local Authorities</i>						
RfR 1 - H	Further Education receipts from DCSF to support 6th Forms	-2,022,881	-	-2,022,881	2,022,881	-
Spending in Annually Managed Expenditure						
<i>Central Government spending</i>						
RfR 1 - J	Loans to Students	-515,000	721,000	206,000	515,000	-
Non-Budget						
RfR 1 - K	Higher Education Funding Council for England	6,868,992	37,419	-	37,419	6,906,411
RfR 1 - L	Office for Fair Access	500	-50	-	-50	450
RfR 1 - M	Student Loan Company	43,762	12,318	-	12,318	56,080
RfR 1 - N	Investors in People UK	5,103	600	-	600	5,703
RfR 1 - O	Learning and Skills Council	11,132,384	320,237	-	320,237	11,452,621
RfR 1 - P	Sector Skills Development Agency	66,638	17,647	-	17,647	84,285
RfR 1 - Q	Quality Improvement Agency	107,567	5,683	-	5,683	113,250
RfR1 - S	Technology Strategy Board	-	205,100	-	205,100	205,100
RfR1 - T	Support for Students	-	659,553	275,054	384,499	384,499
Spending in Annually Managed Expenditure						
<i>Central Government spending</i>						
RfR1 - U	Activities to Support all Functions	-	20,000	-	20,000	20,000
Total RfR 1			1,320,095	478,519	841,576	

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

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 2 - C	British Academy	21,385	1,200	-	1,200	22,585
RfR 2 - D	RB Initiatives	6,000	5,105	-	5,105	11,105
RfR 2 - E	Science and Society	11,395	-260.	-	-260	11,135
RfR 2 - F	Knowledge Transfer	19,000	-7,096.	-	-7,096	11,904
RfR 2 - G	Science Research Investment Fund	62,390	22,958	-	22,958	85,348
RfR 2 - I	GO- Science Group Administration Costs	5,000	1,625	-	1,625	6,625
RfR 2 - J	Biotechnology and Biological Sciences Research Council	-1,000.	-	7,306	-7,306	-8,306

Spending in Annually Managed Expenditure(AME)

Central Government spending

RfR 2 - K	Research Councils' Pension Scheme	27,400	200	-	200	27,600
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Non-Budget

RfR 2 - M	Biotechnology and Biological Sciences Research Council	382,930	9,861	-	9,861	392,791
RfR 2 - O	Engineering and Physical Sciences Research Council	720,000	19,499	-	19,499	739,499
RfR 2 - S	Fees Payable under the Animals (Scientific Procedures) Act 1986	175	27	-	27	202

Total RfR 2	53,119	7,306	45,813
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Total Changes to RfRs	1,373,214	485,825	887,389
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	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	4,335,327	628,821	4,964,148
Non-Operating A in A	621,246	76,120	697,366
Net cash requirement	18,892,556	543,672	19,436,228

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	
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; achieving excellence in levels of skills; and supporting innovation and standards								
65,964	211,151	22,466,381	22,743,496	8,207,909	14,535,587	4,964,148	697,366	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Activities to Support all Functions								
65,964	7,575	478	74,017	186	73,831	4,757	-	
B Higher Education								
-	36,463	131,984	168,447	7,792	160,655	-	-	
C Higher Education Support for Students								
-		1,889,152	1,889,152	-	1,889,152	-	-	
D Further Education Skills and international Programmes								
-	63,422	158,588	222,010	34,632	187,378	-	-	
E Further Education Receipts from DCSF								
-	-	-	-	7,165,188	-7,165,188	-	-	
F Science Innovation and Knowledge transfer								
-	83,691	69,643	153,334	4,057	149,277	5,341	166	
<i>Support for Local Authorities</i>								
G Higher Education Fees and Awards through Local Education Authorities								
-	-	1,000	1,000	-	1,000	-	-	
H Further Education receipts from DCSF to support 6th Forms								
-	-	-	-	-	-	-	-	
I Science and innovation Knowledge transfer								
-	-	4,191	4,191	-	4,191	-	-	
Spending in Annually Managed Expenditure								
<i>Central Government spending</i>								
J Loans to Students								
-	-	721,000	721,000	721,000	-	4,954,050	697,200	
Non-Budget								
K Higher Education Funding Council for England								
-	-	6,906,411	6,906,411	-	6,906,411	-	-	
L Office for Fair Access								
-	-	450	450	-	450	-	-	
M Student Loan Company								
-	-	56,080	56,080	-	56,080	-	-	
N Investors in People UK								
-	-	5,703	5,703	-	5,703	-	-	
O Learning and Skills Council								
-	-	11,452,621	11,452,621	-	11,452,621	-	-	
P Sector Skills Development Agency								
-	-	84,285	84,285	-	84,285	-	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000	
	1	2	3	4	5	6	7	8	
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
Q	Quality Improvement Agency	-	-	113,250	113,250	-	113,250	-	-
R	Design Council	-	-	6,892	6,892	-	6,892	-	-
S	Technology Strategy Board	-	-	205,100	205,100	-	205,100	-	-
T	Support for Students	-	-	659,553	659,553	275,054	384,499	-	-
Spending in Annually Managed Expenditure									
<i>Central Government spending</i>									
U	Activities to Support all Functions	-	20,000	-	20,000	-	20,000	-	-
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society									
	10,125	27,802	3,383,445	3,421,372	8,306	3,413,066	-	-	
Spending in Departmental Expenditure Limits									
<i>Central Government spending</i>									
A	The Royal Society	-	-	41,072	41,072	-	41,072	-	-
B	Royal Academy of Engineering	-	-	9,752	9,752	-	9,752	-	-
C	British Academy	-	-	22,585	22,585	-	22,585	-	-
D	RB Initiatives	-	-	11,105	11,105	-	11,105	-	-
E	Science and Society	-	-	11,135	11,135	-	11,135	-	-
F	Knowledge Transfer	-	-	11,904	11,904	-	11,904	-	-
G	Science Research Investment Fund	-	-	85,348	85,348	-	85,348	-	-
H	Research Base Administration Costs	3,500	-	-	3,500	-	3,500	-	-
I	GO- Science Group Administration Costs	6,625	-	-	6,625	-	6,625	-	-
J	Biotechnology and Biological Sciences Research Council	-	-	-	-	8,306	-8,306	-	-
	<i>Cambridge/Massachusetts Institute of Technology</i>	-	-	-	-	-	-	-	-
	<i>Foresight LINK Awards</i>	-	-	-	-	-	-	-	-
	<i>Joint Infrastructure Fund</i>	-	-	-	-	-	-	-	-

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	
Spending in Annually Managed Expenditure(AME)								
<i>Central Government spending</i>								
K	Research Councils' Pension Scheme							
-	27,600	-	27,600	-	27,600	-	-	
Non-Budget								
L	Arts and Humanities Research Council;							
-	-	106,343	106,343	-	106,343	-	-	
M	Biotechnology and Biological Sciences Research Council							
-	-	392,791	392,791	-	392,791	-	-	
N	Economic and Social Research Council							
-	-	135,018	135,018	-	135,018	-	-	
O	Engineering and Physical Sciences Research Council							
-	-	739,499	739,499	-	739,499	-	-	
P	Medical Research Council							
-	-	526,516	526,516	-	526,516	-	-	
Q	Natural Environment Research Council							
-	-	354,541	354,541	-	354,541	-	-	
R	Science and Technology Facilities Council							
-	-	568,866	568,866	-	568,866	-	-	
S	Fees Payable under the Animals (Scientific Procedures) Act 1986							
-	202	-	202	-	202	-	-	
T	Higher Education Funding Council for England							
-	-	366,970	366,970	-	366,970	-	-	
	<i>Particle Physics and Astronomy Research Council</i>							
-	-	-	-	-	-	-	-	
	<i>Council for the Central Laboratory of the Research Councils</i>							
-	-	-	-	-	-	-	-	
	<i>Council for the Central Laboratory of the Research Councils - Diamond Synchrotron</i>							
-	-	-	-	-	-	-	-	
Total for Estimate:								
76,089	238,953	25,849,826	26,164,868	8,216,215	17,948,653	4,964,148	697,366	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	17,061,264	887,389	17,948,653
Voted capital items			
Capital	4,335,327	628,821	4,964,148
<i>Less: Non-operating A in A</i>	<i>621,246</i>	<i>76,120</i>	<i>697,366</i>
Total net voted capital	3,714,081	552,701	4,266,782
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-4,766	-	-4,766
Depreciation	-4,567	-20,000	-24,567
New provisions and adjustments to previous provisions	-1,422,840	-654,368	-2,077,208
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-515,000	-206,000	-721,000
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	64,384	-16,050	48,334
Total accruals to cash adjustments	-1,882,789	-896,418	-2,779,207
Excess cash to be CFERd	-	-	-
Net Cash Requirement	18,892,556	543,672	19,436,228

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	1,955	-	1,955	<i>1,955</i>
Non-operating income not classified as A in A	-	-	206,850	<i>191,000</i>
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	1,955	-	208,805	<i>192,955</i>

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	65,805
RfR2	10,125
Total Net Administration Costs	75,930
Net Programme Costs	
RfR1	14,467,827
RfR2	3,402,941
Non-voted	-
Total Net Programme costs	17,870,768
Total Net Operating Cost	17,946,698
<i>of which:</i>	
Net Resource Requirement	17,948,653
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-1,955
Resource Budget	15,917,611

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	17,948,653
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-1,955
Other adjustments	-
Net Operating Costs (Accounts)	17,946,698
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-86,618
European Union income related to capital grants	-
voted expenditure outside the budget	-385,093
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-1,589,035
unallocated resource provision	31,659
Other adjustments	-
Resource Budget (Budget)	15,917,611
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	15,673,719
Annually Managed Expenditure (AME)	243,892

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	4,266,782
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	1,971,452
capital grants	86,618
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	1,645
Other adjustments	-
Capital Budget (Budget)	6,326,497
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,065,889
Annually Managed Expenditure (AME)	4,260,608

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Mr Ian Whatmore, Permanent Head of the Department

Request for Resources 2 Mr Ian Whatmore, Permanent Head of the Department

Mr Ian Whatmore as the Accounting Officer of the Department for Innovation, Universities and Skills has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Innovation, Universities and Skills.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

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; achieving excellence in levels of skills; and supporting innovation and standards

Administration	159
<i>of which:</i>	
Sale of goods and services	159
Programme	8,207,750
<i>of which:</i>	
Sale of goods and services	4,879
Other grant income (including repayments of grants/subsidies)	7,201,089
EU grants	220
Interest and dividends	721,000
Other income (including receipts)	280,562
Total RfR1	8,207,909 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: European Fast Stream receipts; repayment of career development loans; repayments of working capital loans; receipts in respect of Career Development Loans default recoveries by banks; receipts from the sale of surplus properties; receipts from outside organisations(including the EC) in respect of advertising and publicity activities and materials; sale of research publications; receipts from the European Social Fund to cover departmental programmes; receipts from the Department for Children, Schools and Families for 14-19 programmes

profits on the sale of surplus equipment and other assets; Sponsorship Funding; rent income from three domestic properties on the estate of the European School of Culture at Culham, Oxfordshire; contributions from the National Assembly for Wales towards Key Skills; 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 miscellaneous European Education and the UK Prime Minister Initiative;

contributions from other government departments and other sources towards the cost of promoting UK education and training overseas; London Challenge receipts; receipts from the Department of Health for Investors in People healthy Organisations; Student loan interest receivable. Further and Higher education receipts from the Department for Children, Schools and Families; receipts from the Home Office for offender education; receipts from the Department for Communities and Local government for Faith Leader project; student support receipts

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

Administration	-
<i>of which:</i>	
Sale of goods and services	-
Programme	8,306
<i>of which:</i>	
Other grant income (including repayments of grants/subsidies)	8,306
Total RfR2	8,306 †

† Amount that may be appropriated in aid in addition to the net total arising from: receipts for employees' and employers' contributions and transfer values received and contributions towards the Institute of Animal Health

Total Operating A in A	8,216,215
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Notes to the Estimate (*continued*)

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

	£'000
	2007-08
Programme	697,366
<i>of which:</i>	
Loans, etc, repayments	697,366
Total RfR1	697,366 †
<i>† Amount that may be applied as non-operating appropriations in aid arising from: repayment of principal on student loans; and from the sale of surplus land, buildings and equipment. Repayment of loans from the Patent Office.</i>	
Total Non-Operating A in A	697,366

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2007-08 provision	
		Income	Receipts
Receipt of dividend from the Patent Office Executive Agency trading fund	Φ	1,751	1,751
Interest on Loans advanced by the S of S to the Patent Office Executive Agency Trading Fund	Φ	204	204
Student Loan Interest Receipts	Φ	206,850	191,000
Total		208,805	192,955

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-674,303	230,805	-4,415,296	20,089,015	15,673,719
<i>of which: †</i>					
Administration budget	4,090	-	75,930	-	75,930
Near-cash in RDEL	-223,172	238,995	-5,396,338	19,950,469	14,554,131
Capital DEL ††	13,652	81,505	-79,756	2,145,645	2,065,889
Less Depreciation †††	-	9,292	-4,567	-119,465	-124,032
Total DEL	-660,651	321,602	-4,499,619	22,115,195	17,615,576

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	8,634,527

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RFR1-K	Higher Education Funding Council for England ♥	6,906,411
RfR1- L	Office For Fair Access ♥	450
RfR1- M	Student Loan Company♦	56,080
RfR1- N	Investors in People UK	5,703
RfR1- O	Learning and Skills Council♥	11,452,621
RFR1-P	Sector Skills Development Agency♥	84,285
RfR1- Q	Quality Improvement Agency♥	113,250
RfR1- R	Design Council♦	6,892
RfR1- S	Technology Strategy Board	205,100
	Total	18,830,792
RfR2- L	Arts and Humanities Research Council♥	106,343
RfR2- M	Biotechnology and Biological Sciences Research Council♥	392,791
RfR2- N	Economic and Social Research Council♥	135,018
RfR2- O	Engineering and Physical Sciences Research Council♥	739,499
RfR2- P	Medical Research Council♥	526,516
RfR2- Q	Natural Environment Research Council♥	354,541
RfR2- R	Science and Technology Facilities Council♥	568,866
RfR2- S	Fees Payable under the Scientific Procedures Act 1986	202
RfR2- T	Higher Education Funding Council for England♥	366,970
	Total	3,190,746

Department for Communities and Local Government

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
	<i>Administration costs (near-cash)</i>		
	To increase provision for:		
F	Central administration	6,005,000	
	<i>Administration costs (non-cash)</i>		
	To increase provision for:		
G	Government Office Administration	2,749,000	
	<i>Other resource DEL (near-cash)</i>		
	To increase provision for:		
F	Central administration (outside the Administration Budget)	9,100,000	
<u>Take up of Departmental Unallocated Provision</u>			
	<i>Other resource (non-cash)</i>		
	To increase provision for:		
B	National Register of Social Housing	300,000	
D	Better Services	380,000	
<u>Machinery of Government changes</u>			
	<i>Administration costs (near-cash)</i>		
	To decrease provision for:		
F	Central Administration arising from transfer to the Department of Business, Enterprise and Regulatory Reform for Northern Way		-42,000
F	Central Administration arising from transfer to the Government Equalities Office for equalities functions		-335,000
	<i>Other resource (near-cash)</i>		
	To decrease provision for:		
F	Central Administration (outside Administration Budget) arising from transfer to Department for Business, Enterprise and Regulatory Reform		-810,000
	<i>Capital grants (capital DEL)</i>		
	To decrease provision for:		
Q	Northern Way, which transfers to the Department for Business, Enterprise and Regulatory Reform		-25,000,000

Transfers from resource spending (capital grants) to capital spending (not capital grants)*Capital grants (capital DEL)*

	To decrease provision for:		
D	Control Rooms		-2,000,000
M	Gypsy site grant		-5,000,000
O	New Deal for Communities		-11,000,000

Changes in Annually Managed Expenditure (AME)*Other resource (near- cash)*

	To increase provision for:		
T	Housing Revenue Account Subsidy	11,000,000	
V	Fire superannuation	12,500,000	

Other changesResource transfers to another Request for Resources*Other resource (near- cash)*

	To adjust provision for:		
A	E Planning transfer to RfR 2 for e-local government		-200,000
D	Fire Services transfer to RfR 2 for Best value inspectorate		-190,000

Resource transfers within the Request for Resources*Administration costs (near-cash)*

	To increase provision for:		
F	Central Administration	992,000	

Other resource (near-cash)

	To adjust provision for:		
A	E-Planning	1,150,000	
A	Planning and Publicity		-678,000
C	Community Policy		-6,000,000
C	New Deal for Communities		-59,000
C	New Ventures Fund		-933,000
D	Control Rooms		-16,151,000
D	Firelink		-7,000,000
D	New Dimension Search and Rescue		-7,200,000
D	New Dimension Mass Decontamination		-5,000,000
D	Housing Employment Mobility Service		-600,000
M	Choice Based Lettings	600,000	
M	Planning Delivery Grant		-472,000
O	Community Policy	6,000,000	
P	Control Rooms	18,151,000	
P	New Dimension Search and Rescue	12,200,000	
P	New Dimension Mass Decontamination	5,000,000	

Capital grants (capital DEL)

	To adjust provision for:		
M	Choice Based Lettings	1,000,000	
N	Procurement Efficiencies and Social Housing		-1,000,000

Transfers to/from non-voted spending*Administration costs (non-cash)*

	To decrease provision for:		
F	Central Administration		-992,000

	<i>Other resource (near-cash)</i>	
	To adjust provision for:	
A	Thames Gateway (Direct Funding)	-1,670,000
A	Planning and Publicity	-171,000
F	Central Administration (outside the Administration Budget)	-750,000
G	Government Office Administration (outside the Administration Budget)	-1,398,000
M	Housing Market Renewal	-2,000,000
	To create new section for:	
AB	ERDF New programmes (income from EU)	-18,255,000
	<i>Other resource (non-cash)</i>	
	To adjust provision for:	
F	Central Administration (outside the Administration Budget)	750,000
G	Government Office Administration (outside the Administration Budget)	1,398,000
	<i>Capital grants (capital DEL)</i>	
	To decrease provision for:	
A	Thames Gateway (Direct Funding)	-2,770,000
M	Thames Gateway (Direct Funding)	-1,230,000
N	Capital Pooled Housing Receipts	-711,000
	To create new section for:	
AB	ERDF New programmes (income from EU)	-19,003,000
	<u>Changes in non-budget spending</u>	
	To adjust provision for:	
W	English Partnerships	-58,000,000
W	Housing Corporation	1,587,000
W	Thames Gateway London Urban Development Corporation	1,100,000
W	Thames Gateway Thurrock Urban Development Corporation	4,450,000
Y	Overhanging Debt	734,000,000
	To create new section for:	
AA	ERDF New programmes (payments to RDAs)	37,259,000
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>	
	To increase provision for expenditure and appropriations in aid:	
D	Control Rooms (income)	-1,900,000
D	Control Rooms (expenditure)	1,900,000
D	Firelink (income)	-3,100,000
D	Firelink (expenditure)	3,100,000
F	Central administration (income)	-300,000
F	Central administration (expenditure)	300,000
G	Government Office administration (income)	-3,657,000
G	Government Office administration (expenditure)	3,657,000
N	Capital Pooled Housing Receipts (income)	-7,947,000
O	Homelessness (expenditure)	747,000
O	Disabled facilities grant (expenditure)	7,200,000
W	English Partnerships (grant in aid income)	-3,000,000
W	English Partnerships (grant in aid expenditure)	3,000,000
AB	ERDF New Programmes (income)	-1,751,000
AC	ERDF New Programmes (expenditure)(new section)	1,751,000
	To decrease provision for expenditure and corresponding appropriations in aid:	
F	Payments for Mapping and Data Services (income)	553,000
F	Payments for Mapping and Data Services (expenditure)	-553,000
	<u>Total</u>	<u>889,879,000 -218,828,000</u>
	Total change in resources for RfR1	671,051,000

RfR 2: Providing for effective devolved decision making within a national framework**Changes in resources**

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
To increase provision for:			
<i>Other resource (near- cash)</i>			
B	Transfer from Fire Services RfR 1	190,000	
G	Transfer from E Planning RfR1	200,000	
<u>Resource transfers within the Request for Resources</u>			
<i>Other resource (near-cash)</i>			
To adjust provision for:			
B	Best Value Inspectorate		-1,700,000
G	Cost Collection Grant	1,700,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
To adjust provision for:			
H	Local Authority Business Growth Incentives Scheme (expenditure)	3,700,000	
H	Local Authority Business Growth Incentives Scheme (income)		-3,700,000
		<u>Total</u>	
Total change in resources for RfR2		5,790,000	-5,400,000.
			390,000
Total change in resources for Estimate			671,441,000

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Transfers to/from non-voted spending</u>			
To decrease provision for:			
A	Planning Inspectorate transfer to non-voted Housing Corporation		-250,000
<u>Transfers from other resource (capital grants) to capital (not capital grants)</u>			
To increase provision for:			
<i>Capital</i>			
To increase provision for:			
D	Control Rooms	18,000,000	
		<u>Total</u>	
Total change in capital for RfR1		17,750,000	-
			17,750,000

Total change in capital for Estimate	17,750,000
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2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £686,874,000.

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

Department for Communities and Local Government

Part I

	£
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	† 671,051,000
RfR 2: Providing for effective devolved decision making within a national framework	390,000
Total additional net resource requirement	671,441,000
Additional net cash requirement	† 686,874,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for Communities and Local Government on:

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

housing revenue account subsidy; homelessness and rough sleepers; payment to the Housing Corporation; payments to the Audit Commission for registered social landlord inspections; disabled facilities grant ; best value in housing; home buying and selling; procurement efficiency and social housing; payments to local authorities in respect of Local Area Agreements; rent and leasehold services; national approved letting scheme; social housing mobility including choice-based local authority lettings; grants and payments for the licensing and safety rating of landlords; council tenant participation; housing transfers; regional housing boards advice; payments to Housing Action Trusts; the Supporting People programme; capital grants to local authorities for housing; Local Authority Social Housing Grant transitional compensation; payments to the Commission for Architecture and the Built Environment; payments to the Academy for Sustainable Communities; 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 for Business, Enterprise and Regulatory Reform for Regional Development Agencies and the London Development Agency; Groundwork; initiatives to accelerate the growth areas, including payments to development corporations and other local delivery agencies; support for infrastructure and associated works related to the Olympic Games; grants and payments for creating and improving parks and public spaces; co-ordinating strategy for dealing with abandoned vehicles; payments that derive from European Structural Funds Regulations; exchange rate losses and other losses relating to the European Regional Development Fund (ERDF) projects; Combined Universities of Cornwall; coalfields regeneration; planning; the Planning Inspectorate; fire and rescue services, including the grants paid to Chief Fire Officers' Association and measures to deal with the aftermath of terrorism; purchase of fire radio systems; payments and loans to the Fire Service College (trading fund); payments for provision of services to improve the efficiency and effectiveness of the fire service; Emergency Fire Service Closure costs; fire service pensions; fire service dispute(s); payments to Firebuy; work on improving race,gender and faith equalities; payments to the Community Development Foundation; Community Cohesion; mapping data and services; Ordnance Survey trading fund; regional assemblies; payments for the Mersey Basin Campaign ; special grants paid under Section 31 of the Local Government Act 2003; minor grants and payments in support of housing, planning, regeneration, liveability, urban design, building regulation, research, development,surveys; monitoring, statistics, advice and consultancies; initiatives to tackle areas of low demand housing; publicity, promotion and publications; communications; Special Grants Programme support to voluntary bodies; subscriptions and contributions to international organisations; the residual functions of Property Services Agency(PSA); payments and loans in connection with the Queen Elizabeth II Conference Centre trading fund; the administration and operation of the department including the Government Offices;the purchase,acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; research; housing statistics,special payments; and associated non-cash items

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

payments to the Valuation Office Agency for rating and valuation services; payments to the Audit Commission for Best Value inspections; revenue support grant and redistributed non-domestic rates to receiving authorities in England; repayment of excess contributions made by local authorities in respect of non-domestic rates in 2006-07 and previous years; preparation for the Greater London Authority and related bodies; Greater London Authority (GLA) general grant; intervention action and capacity building in local authorities; local Public Service Agreement (PSA) performance fund payments; special grants paid under Section 88B of the Local Government Finance Act 1988 and Section 31 of the Local Government Act 2003; Best Value grants to Parish Councils ; grants to beacon councils; emergency financial assistance to local authorities; payments to bodies specified by the Secretary of State under Section 78 of the Local Government Finance Act 1988, and to the Commission for Local Administration in England mapping and other costs associated with local government reviews and revisions to administrative and electoral boundaries following Parish and Electoral Commission reviews; grant-in-aid to the Standards Board for England and to the Valuation Tribunal Service; payments in respect of the capital element of contracts let under the private finance initiative; research, development, surveys, monitoring, statistics, advice and consultancies; publicity promotion and publications; special payments; subscriptions to the Commonwealth Local Government forum and associated non-cash items

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

† The responsibilities for equalities functions and support for the Commission for Equality and Human Rights, the Commission for Racial Equality and the Equal Opportunities Commission were transferred to the Government Equalities Office on 26 July 2007. Within the overall changes sought in this Estimate the specific changes relating to this Machinery of Government transfer are: (a) for RfR1 the net resource requirement is reduced by £335,000; and (b) the net cash requirement is reduced by £335,000.

† The responsibility for the Northern Way Growth Fund was transferred to the Department for Business, Enterprise and Regulatory Reform on 26 October 2007. Within the overall changes sought in this Estimate the specific changes relating to this Machinery of Government transfer are: (a) for RfR1 the net resource requirement is reduced by £25,852,000; and (b) the net cash requirement is reduced by £25,852,000.

Part II: Changes proposed

Resources		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
						New Net Provision
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1 - A	Housing Supply and Demand	171,866	-4,339	-	-4,339	167,527
RfR 1 - B	Decent Places to Live	104,706	300	-	300	105,006
RfR 1 - C	Tackling Disadvantage	123,133	-6,992	-	-6,992	116,141
RfR 1 - D	Better Services	149,683	-32,761	5,000	-37,761	111,922
RfR 1 - F	Central Administration	207,187	13,665	-253	13,918	221,105
RfR 1 - G	Government Office Administration	119,791	6,406	3,657	2,749	122,540
<i>Support for Local Authorities</i>						
RfR 1-M	Housing Supply and Demand	1,146,836	-7,102	-	-7,102	1,139,734
RfR 1- N	Decent Places to Live	-105,603	-1,000	8,658	-9,658	-115,261
RfR 1- O	Tackling Disadvantage	2,200,906	2,947	-	2,947	2,203,853
RfR 1- P	Better Services	36,537	35,351	-	35,351	71,888
RfR 1- Q	Development of English Regions	31,000	-25,000	-	-25,000	6,000
Spending in Annually Managed Expenditure(AME)						
<i>Central Government spending</i>						
RfR 1- T	Decent Places to Live	679,063	11,000	-	11,000	690,063
<i>Support for Local Authorities</i>						
RfR 1- V	Better Services	163,354	12,500	-	12,500	175,854
Non-Budget						
RfR 1- W	Housing Supply and Demand	2,586,779	-47,863	3,000	-50,863	2,535,916
RfR 1- Y	Decent Places to Live	616,000	734,000	-	734,000	1,350,000
RfR1-AA	ERDF New Programmes	-	37,259	-	37,259	37,259
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR1-AB	ERDF New Programmes	-	-	39,009	-39,009	-39,009
<i>Support for Local Authorities</i>						
RfR1- AC	ERDF New Programmes	-	1,751	-	1,751	1,751
Total RfR 1			730,122	59,071	671,051	

RfR 2: Providing for effective devolved decision making within a national framework**Spending in Departmental Expenditure Limits (DEL)***Central Government spending*

RfR 2 - B	Best Value inspection subsidies to Public Corporations & best value intervention costs	24,420	-1,510	-	-1,510	22,910
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Support for Local Authorities

RfR 2 - G	Other Grants and Payments	333,559	1,900	-	1,900	335,459
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Spending in Annually Managed Expenditure(AME)*Support for Local Authorities*

RfR 2 - H	Non-domestic Rates Outturn Adjustments and LABGIS	955,599	3,700	3,700	-	955,599
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Total RfR 2

4,090	3,700	390
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Total Changes to RfRs

734,212	62,771	671,441
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	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	64,412	17,750	82,162
Non-Operating A in A	104	-	104
Net cash requirement	34,742,678	686,874	35,429,552

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions								
352,657	1,049,155	11,213,134	12,614,946	1,341,587	11,273,359	82,162	104	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Housing Supply and Demand								
-	128,862	48,576	177,438	9,911	167,527	2,594	-	
B Decent Places to Live								
-	9,136	95,870	105,006	-	105,006	-	-	
C Tackling Disadvantage								
-	48,789	68,742	117,531	1,390	116,141	25	-	
D Better Services								
-	112,444	5,775	118,219	6,297	111,922	55,337	22	
E Development of English Regions								
-	520	1,600,850	1,601,370	-	1,601,370	-	-	
F Central Administration								
204,417	52,887	-	257,304	36,199	221,105	21,064	-	
G Government Office Administration								
148,240	2,818	-	151,058	28,518	122,540	2,860	-	
H European Structural Funds - net								
-	-	1	1	-	1	-	-	
I European Structural Funds - Communities and Local Government								
-	3,702	6,401	10,103	-	10,103	282	-	
J Ordnance Survey								
-	-	1,320	1,320	3,600	-2,280	-	-	
K Queen Elizabeth II Conference Centre Executive Agency								
-	-	117	117	1,615	-1,498	-	82	
L Local Area Agreements								
-	-	-	-	1,090,548	-1,090,548	-	-	
<i>Support for Local Authorities</i>								
M Housing Supply and Demand								
-	-	1,139,734	1,139,734	-	1,139,734	-	-	
N Decent Places to Live								
-	-	4,739	4,739	120,000	-115,261	-	-	
O Tackling Disadvantage								
-	-	2,203,853	2,203,853	-	2,203,853	-	-	
P Better Services								
-	-	71,888	71,888	-	71,888	-	-	
Q Development of English Regions								
-	-	7,500	7,500	1,500	6,000	-	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
		1	2	3	4	5	6	8
		Admin	Other current	Grants	Gross Total	A in A	Net Total	Non-operating A in A
								Capital
R	European Structural Funds - net	-	-	1	1	-	1	-
S	Local Area Agreements	-	-	1,850,285	1,850,285	-	1,850,285	-
Spending in Annually Managed Expenditure(AME)								
<i>Central Government spending</i>								
T	Decent Places to Live	-	690,063	-	690,063	-	690,063	-
U	Better Services	-	-66	116	50	-	50	-
<i>Support for Local Authorities</i>								
V	Better Services	-	-	175,854	175,854	-	175,854	-
<i>Housing Supply and Demand</i>								
		-	-	-	-	-	-	-
Non-Budget								
W	Housing Supply and Demand	-	-	2,538,916	2,538,916	3,000	2,535,916	-
X	Better Services	-	-	2,040	2,040	-	2,040	-
Y	Decent Places to Live	-	-	1,350,000	1,350,000	-	1,350,000	-
Z	Tackling Disadvantage	-	-	1,546	1,546	-	1,546	-
AA	ERDF New Programmes	-	-	37,259	37,259	-	37,259	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
AB	ERDF New Programmes	-	-	-	-	39,009	-39,009	-
<i>Support for Local Authorities</i>								
AC	ERDF New Programmes	-	-	1,751	1,751	-	1,751	-
RfR 2: Providing for effective devolved decision making within a national framework								
		-	201,379	23,650,944	23,852,323	38,165	23,814,158	-
Spending in Departmental Expenditure Limits								
<i>Central Government spending</i>								
A	Valuation Services	-	174,450	-	174,450	-	174,450	-
B	Best Value inspection subsidies to Public Corporations & best value intervention costs	-	22,910	-	22,910	-	22,910	-
C	Local Government Research and Publicity, MAPPING Costs and Electoral Law	-	4,019	-	4,019	465	3,554	-

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
<i>Local Governance</i>								
-	-	-	-	-	-	-	-	
<i>Support for Local Authorities</i>								
D Revenue Support Grants	-	3,762,931	3,762,931	-	3,762,931	-	-	
E Non- domestic Rates Payments	-	18,500,000	18,500,000	-	18,500,000	-	-	
F London Governance	-	38,348	38,348	-	38,348	-	-	
G Other Grants and Payments	-	369,459	369,459	34,000	335,459	-	-	
Spending in Annually Managed Expenditure(AME)								
<i>Support for Local Authorities</i>								
H Non-domestic Rates Outturn Adjustments and LABGIS	-	959,299	959,299	3,700	955,599	-	-	
Non-Budget								
I Non-departmental public bodies	-	20,907	20,907	-	20,907	-	-	
Total for Estimate:								
352,657	1,250,534	34,864,078	36,467,269	1,379,752	35,087,517	82,162	104	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	34,416,076	671,441	35,087,517
Voted capital items			
Capital	64,412	17,750	82,162
<i>Less: Non-operating A in A</i>	<u>104</u>	<u>-</u>	<u>104</u>
Total net voted capital	64,308	17,750	82,058
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-12,020	-668	-12,688
Depreciation	-28,547	-947	-29,494
New provisions and adjustments to previous provisions	-8,138	-2,830	-10,968
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-20	-20
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	300,000	-	300,000
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>10,999</u>	<u>2,148</u>	<u>13,147</u>
Total accruals to cash adjustments	262,294	-2,317	259,977
Excess cash to be CFERd	-	-	-
Net Cash Requirement	34,742,678	686,874	35,429,552

Part III: Extra receipts payable to the Consolidated Fund

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

	<u>Present provision</u>		<u>New provision</u>	
	<u>Income</u>	<u><i>Receipts</i></u>	<u>Income</u>	<u><i>Receipts</i></u>
Operating income not classified as A in A	1,352,218	<i>1,352,218</i>	1,308,218	<i>1,308,218</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	<u>1,352,218</u>	<u><i>1,352,218</i></u>	<u>1,308,218</u>	<u><i>1,308,218</i></u>

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	304,384
RfR2	
Total Net Administration Costs	304,384
Net Programme Costs	
RfR1	10,968,975
RfR2	23,814,158
Non-voted	-1,307,311
Total Net Programme costs	33,475,822
Total Net Operating Cost	33,780,206
<i>of which:</i>	
Net Resource Requirement	35,087,517
Non-voted expenditure	907
Consolidated Fund Extra Receipts	-1,308,218
Resource Budget	28,404,476

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	35,087,517
<i>Adjustments to remove:</i>	
provision voted for earlier years	
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	907
Consolidated Fund extra receipts in the OCS	-1,308,218
Other adjustments	-
Net Operating Costs (Accounts)	33,780,206
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	
Capital grants	-1,607,849
European Union income related to capital grants	-
voted expenditure outside the budget	-7,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	691,000
resource consumption of non departmental public bodies	-3,236,871
unallocated resource provision	13,274
Other adjustments	-1,228,284
Resource Budget (Budget)	28,404,476
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	27,151,762
Annually Managed Expenditure (AME)	1,252,714

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	82,058
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	
capital spending by non departmental public bodies	3,285,270
capital grants	1,607,849
European Union income related to capital grants	-
supported capital expenditure (revenue)	1,298,809
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-75,370
Capital Budget (Budget)	6,198,616
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,198,616
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Peter Housden, Permanent Head of the Department for Communities and Local Government
Request for Resources 2	Christopher Wormald, Additional Accounting Officer and Director General of the Local Government and Regeneration Group of the Department

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

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

In accordance with the Managing Public Money requirement the relationship between the Principal Accounting Officer and the Additional Accounting Officer(s) and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

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

Administration	48,273
<i>of which:</i>	
Sale of goods and services	48,273
Programme	1,293,314
<i>of which:</i>	
Sale of goods and services	32,255
Other grant income (including repayments of grants/subsidies)	1,471,727
Interest and Dividends	5,612
CFERS	-1,308,218
Other Income (including receipts)	1,091,938

Total RfR1	1,341,587 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from : research and administrative services, fee paying enquiries, dissemination and sales of information, royalties, the loan, hire and storage of equipment, seminars, patent rights, conferences and publications (in print and non-print media); sponsorship, including contributions from co-sponsors towards the cost of research and surveys; other government departments including contributions towards Local Area Agreements, agencies and non-departmental public bodies and overseas government; receipts from the European Union; adjustments to commuted loan charges or residual loan charge grants; pooled housing capital receipts from local authorities; housing revenue receipts from local authorities; donations; receipts from the Housing Corporation; charges for services provided by leasehold valuation tribunals and other receipts by Rent Assessment Panels; recovered renovation or disabled facilities grants;

recovered derelict land and other regeneration grants ; charges made by the Planning Inspectorate executive agency in England and Wales; receipts from inspections by Crown Property Inspection Group; dividend payments from Ordnance Survey; dividend payments from the Queen Elizabeth Conference Centre and interest payments on voted loans; receipts from other government departments for research in support of fire and rescue services; receipts from medical appeals to cover BUPA expenditure; receipts from regional fire and rescue control centres building developers; interest payments on deemed and voted loans made to the Fire Service College; dividend payment from the Fire Service College; receipts from Firelink contractor; the disposal of land, buildings, water stores, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; receipts for the use of accommodation; rental income and receipts from property and land; legal claims, including extra-contractual claims for defective work; awards of court costs and out of court settlements; residual items from the sale of the Building Research Establishment; receipts associated with the Emergency Fire Services

former SRB programme receipts ; and the sale of Property Services Agency businesses.

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

Programme	38,165
<i>of which:</i>	
Sale of goods and services	465
Other grant income (including repayments of grants/subsidies)	36,200
Other Income (including receipts)	1,500

Total RfR2	38,165 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: sponsorship, including contributions from co-sponsors towards the cost of research and publicity; 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 tribunals offices; and fines passed on by the Ministry of Justice.

Total Operating A in A	1,379,752
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Analysis of non - operating appropriations in aid (A in A)**RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions**

Programme	104
<i>of which:</i>	
Sale of assets	-
Loans, etc, repayments	104

Total RfR1	104 †
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† Amount that may be applied as non-operating appropriations in aid arising from: the disposal of land, buildings, equipment, machinery, vehicles and capital assets; the loan, hire or storage of equipment; repayment of deemed and voted loans made to the Queen Elizabeth II Conference Centre and the Fire Service College; receipts from the Housing Corporation and the sale of PSA businesses.

Total Non-Operating A in A	104
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2007-08 provision	
	Income	Receipts
Central Administration Φ	11	11
Capital Pooled Housing Receipts \bullet	671,000	671,000
Planning Inspectorate Φ	190	190
Housing Revenue Account Subsidy Δ	617,017	617,017
Large Scale Voluntary Transfers \bullet	20,000	20,000
Total	1,308,218	1,308,218

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-5,843	22,408	26,829,494	322,268	27,151,762
<i>of which:</i>					
Administration budget \dagger	8,377	-	304,384	-	304,384
Near-cash in RDEL	-10,308	24,124	26,776,374	243,772	27,020,146
Capital DEL $\dagger\dagger$	-48,862	23,964	2,570,847	3,627,769	6,198,616
Less Depreciation $\dagger\dagger\dagger$	-947	380	-29,494	-11,643	-41,137
Total DEL	-55,652	46,752	29,370,847	3,938,394	33,309,241

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	1,379,856

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

RfR/Section	Body	£ '000
RfR1, Section C Contribution to the costs of the replica slave ship " The Amistad "		130
RfR1, Section A Trial Provision of Energy Performance Certificates		12

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1- W	Housing Corporation ♥	2,148,224
RfR1- W	Leasehold Enfranchisement Advisory Service♥	1,150
RfR1- W	English Partnerships (Urban Regeneration Agency)♥	253,000
RfR1- W	Other Growth Areas: English Partnerships (Urban Regeneration Agency)♥	2,449
RfR1- W	Other Growth Areas: West Northamptonshire Urban Development Corporation♥	17,000
RfR1- W	Thames Gateway: East of England Development Agency♥	1,699
RfR1- W	Thames Gateway: South East of England Development Agency♥	6,800
RfR1- W	Thames Gateway: Housing Corporation♥	2,100
RfR1- W	Thames Gateway: English Partnerships (Urban Regeneration Agency)♥	10,704
RfR1- W	Thames Gateway: London Thames Gateway Urban Development Corporation♥	55,190
RfR1- W	Thames Gateway: Thurrock Urban Development Corporation♥	33,600
RfR1- X	Firebuy ♥	2,040
RfR1- Z	Community Development Foundation♥	1,546
RfR2- I	Valuation Tribunal Service♥	10,743
RfR2- I	Standards Board for England ♥	10,164

Notes to the Estimate (*continued*)

Contingent Liabilities

RfR/Section	Nature of Liability	£ '000
Statutory		
	Fire Service Act 1947 s17 and the Fire Service (Discipline Regulations) 1985. Liability to litigation by Fire Authorities resulting from delays in processing appeals to the Secretary of State.	200
	The Housing Defects Act 1984 (now part XVI of the Housing Act 1985). Payments to Local Authorities.	750 -1,000
	Housing Association Act 1987, s84. Indemnity of building society mortgages for shared ownership schemes.	175
	Indemnity given for the Land Stabilisation Project to proceed in Northwich under Section 1 of the Derelict Land Act 1982	30,000
Non-Statutory		
	Possible administrative irregularities in respect of the European Regional Development Fund programme, where approximately 50% of the total irregularities value would not be recovered due to insolvency occurring.	4,907
	Possible fine for irregularities with EC funds in respect of the European Regional Development Fund	40,000
	Three Local Authorities (Corby, Slough and Tewkesbury) have launched legal action against the Department for underpayment of the Local Authority Business Growth Incentive Scheme grant. There is a chance that the court will rule in favour of the Local Authorities	84,000
	Possible obligations from Employment Tribunal decision including asbestos claims against the Department.	Unquantifiable
	Possible liabilities of bodies sponsored by Department for Communities and Local Government which the Department may have to fund.	Unquantifiable
	Potential payments under the Housing Revenue Account Subsidy (HRAS) scheme relating to outstanding claims.	Unquantifiable
	Liability to pay grant in future years relating to annual gap-funding agreements for negative values transfers of council housing stocks	289,308
	Ex-gratia payments which may possibly be made to appellants or other appeal parties who have incurred abortive costs following an error made by the Planning Inspectorate.	75
	Possible ex-gratia payments	Unquantifiable
	Possible obligations from Employment Tribunal decisions.	Unquantifiable
	Other Employment Tribunal decisions.	186
	Charging of VAT on building rental	182

Litigation costs which may possibly be incurred following unsuccessful attempts to resist a High Court challenge into an Inspector's decision.	350
Indemnity given to the Nationwide Building Society as lender for claims relating to the treatment or removal of asbestos in connection with housing stock transfers	Unquantifiable
Indemnity given to the Fire and Rescue Services in respect of possible incidents as a result of mass decontamination.	Unquantifiable

Home Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Protecting the public and securing our future			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL End-Year Flexibility</u>		
Section O	Increase in capital grants (representing take up of capital EYF) to meet CRCSG's strategic objectives of 'cutting crime, especially violent and drug-related crime, and ensuring people feel safer in their homes and daily lives, particularly through more visible, responsive and accountable local policing'.	20,000,000	
	<u>Take up of Departmental Unallocated Provision</u>		
	Drawdown of remaining near-cash DUP to the Police.		
Section A	Admin near-cash	20,682,000	
Section A	OCE near-cash	3,897,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
Transfers with the Ministry of Justice:			
Reduction in central support costs following the Home Office and Ministry of Justice Machinery of Government transfer effected in the winter Supplementary Estimate.			
Section M	Admin near-cash		-19,250,000
Section M	Admin non-cash		-302,000
Section A	Reduction in OCE near-cash following a transfer of Criminal Justice IT resources.		-1,000,000
Section O	Return of Criminal Justice IT capital grant from the Ministry of Justice to correct overpayment made in the winter Supplementary Estimate.	20,000	
Section K	Increase in OCE near-cash for Assisted Voluntary Returns (AVR) and Public Expense Removal (PER) expenditure. This is a re-allocation of resource DEL from the Foreign and Commonwealth Office.	1,750,000	
Section K	Increase in OCE near-cash for UK Visas. This is a re-allocation of resource DEL from the Foreign and Commonwealth Office.	12,363,000	
Section B	Increase in Admin near-cash to reflect the policy transfer of the respect database. This is a re-allocation of resource DEL from the Department for Children, Schools and Families.	12,000	
<u>Changes in operating appropriations-in-aid (not offset by changes in spending)</u>			
Section A	Increase in admin income for receipt of interest from the Forensic Science Service.		-1,068,000
Section C	Reduction in admin income from the Criminal Records Bureau.	1,068,000	

Introduction (continued)

Section A	Increase in programme income for the Independent Safeguarding Authority. Increase in spending is shown under the 'Changes in non-budget spending' heading below.		-713,000
	<u>Changes in Annually Managed Expenditure (AME)</u>		
Section V	Increase in funding for Police pensions.	50,000,000	
Section AJ	Impairments arising through revaluation.	4,000,000	
	<u>Other changes</u>		
	<u>Resource transfers within the Request for Resources</u>		
K to M	OCE near-cash for the Home Office IT Shared Services.	933,000	-933,000
A to M	Admin near-cash for the Forensic Science Regulator Unit.	742,000	-742,000
A to M	OCE near-cash for the Forensic Science Regulator Unit.	392,000	-392,000
A to M	Admin near-cash for the International Unit.	203,000	-203,000
O to Q	Transfer of grants to reflect the latest budget delegations.	122,234,000	-122,234,000
D to B	Transfer of OCE near-cash to reflect the latest budget delegations.	64,902,000	-64,902,000
D to B	Transfer of Admin near-cash to reflect the latest budget delegations.	1,450,000	-1,450,000
D to A	Transfer of grant to reflect the latest budget delegations.	74,000,000	-74,000,000
Q to O	Transfer of grant to reflect the latest budget delegations.	74,000,000	-74,000,000
	<u>Transfers to/from non-voted spending</u>		
Section K	OCE near-cash to the Office of the Immigration Services Commissioner to reflect the delegated budget.		-110,000
Section A	OCE near-cash for the transfer of the Schengen Information System (SIS) programme to the National Policing Improvement Agency.		-4,315,000
Section Q	Near-cash grants reflecting the transfer of the Schengen Information System (SIS) programme to the National Policing Improvement Agency.		-15,900,000
Section A	OCE near-cash for transfer of part of the Police and Crime standards budget to the National Policing Improvement Agency.		-135,000
Section D	Swap of OCE near-cash for non-cash with the National Policing Improvement Agency.	7,673,000	-7,673,000
	<u>Changes in non-budget spending</u>		
Section AH	Increase in grant in aid to reflect the transfer of the Schengen Information System (SIS) programme to the National Policing Improvement Agency.	20,350,000	
Section AI	Increase in grant in aid for the Independent Safeguarding Authority. This is the contra entry to the increase in programme income shown under the 'Changes in operating appropriations-in-aid (not offset by changes in spending)' heading above.	713,000	
Section X	Increase in grant in aid as a result of a transfer of budgetary cover from the Assets Recovery Agency to SOCA.	1,000,000	
Section AH	Increase in grant in aid as a result of a transfer of budgetary cover from the Assets Recovery Agency to NPIA.	100,000	
Section X	Increase in grant in aid as a result of a transfer of budgetary cover from the Cabinet Office to SOCA for property expenditure.	2,869,000	
Section X	Increase in grant in aid to reflect the latest budget delegations.	6,463,000	

Introduction (continued)

<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section E	Programme income from the Department of Health for the Young People Substance Misuse Partnership Grants. Increase in expenditure is shown in section Q .	32,820,000	-32,820,000
Section E	Programme income from the Department for Children, Schools and Families for the Young People Substance Misuse Partnership Grants. Increase in expenditure is shown in section Q .	1,002,000	-1,002,000
Section E	Programme income from the Ministry of Justice for the Young People Substance Misuse Partnership Grants. Increase in expenditure is shown in section Q .	8,033,000	-8,033,000
Section B	Programme income from the Ministry of Justice and a corresponding increase in near cash spending for Independent Domestic Violence Advisors.	3,000,000	-3,000,000
Section B	Programme income from the Department of Health and a corresponding increase in near cash spending for the Crime and Disorder Reduction Partnership (CDRP).	45,000	-45,000
		<u>Total</u>	<u>536,716,000</u>
	Total change in resources for RfR1		-434,222,000
			102,494,000
	Total change in resources for Estimate		102,494,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of End Year Flexibility</u>			
Section K	Increase in capital to meet BIA's strategic objective of 'securing our borders, preventing abuse of our immigration laws and managing migration to the benefit of the UK'.	14,000,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
Section K	Transfer of capital to the Foreign and Commonwealth Office for biometric equipment.		-22,396,000
Section M	Contribution towards building improvement works at a shared service centre. This is a re-allocation of capital DEL to the Ministry of Justice.		-400,000
<u>Other changes</u>			
<u>Changes in non-operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section A	Increase in capital income and expenditure following repayment of a loan by the Forensic Science Service	1,193,000	-1,193,000
		<u>Total</u>	<u>15,193,000</u>
	Total change in capital for Estimate		-23,989,000
			-8,796,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £97,673,000.
3. Symbols are explained in the Introduction to this booklet.

Home Office

Part I

£

RfR 1: Protecting the public and securing our future	102,494,000
Total additional net resource requirement	102,494,000
Additional net cash requirement	97,673,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Home Office on:

RfR 1: Protecting the public and securing our future

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

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

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000	
					New Net Provision	
RfR 1: Protecting the public and securing our future						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1 - A	Police	72,545	91,792	1,781	90,011	162,556
RfR 1 - B	Crime reduction	42,813	69,409	3,045	66,364	109,177
RfR 1 - C	Criminal Records Bureau	-1,068	-	-1,068	1,068	-
RfR 1 - D	Counter terrorism and Intelligence	365,664	-140,352	-	-140,352	225,312
RfR 1 - E	Drugs	108,793	-	41,855	-41,855	66,938
RfR 1 - K	Border and Immigration Agency	1,227,381	13,070	-	13,070	1,240,451
RfR 1 - M	Central services	242,257	-17,282	-	-17,282	224,975
<i>Support for Local Authorities</i>						
RfR 1 - O	Police grants	5,066,720	-28,214	-	-28,214	5,038,506
RfR 1 - Q	Counter terrorism and Intelligence grants	650,429	74,189	-	74,189	724,618
Spending in Annually Managed Expenditure (AME)						
<i>Support for Local Authorities</i>						
RfR 1 - V	Police superannuation	305,000	50,000	-	50,000	355,000
Non-Budget						
RfR 1 - X	Serious Organised Crime Agency	480,243	10,332	-	10,332	490,575
RfR 1 - AH	National Policing Improvement Agency	592,518	20,450	-	20,450	612,968
RfR 1 - AI	Independent Safeguarding Authority	-	713	-	713	713
Spending in Annually Managed Expenditure (AME)						
<i>Central Government Spending</i>						
RfR 1 - AJ	Impairments	-	4,000	-	4,000	4,000
Total RfR 1			148,107	45,613	102,494	
Total Changes to RfRs			148,107	45,613	102,494	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	190,775	-7,603	183,172
Non-Operating A in A	-	1,193	1,193
Net cash requirement	9,725,539	97,673	9,823,212

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 the public and securing our future								
502,748	2,293,065	7,916,499	10,712,312	970,315	9,741,997	183,172	1,193	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Police								
42,455	45,102	80,930	168,487	5,931	162,556	1,193	1,193	
B Crime reduction								
22,398	66,566	23,258	112,222	3,045	109,177	90	-	
C Criminal Records Bureau								
99,322	-	-	99,322	99,322	-	500	-	
D Counter terrorism and Intelligence								
13,735	59,993	152,340	226,068	756	225,312	19,000	-	
E Drugs								
13,695	65,530	30,108	109,333	42,395	66,938	-	-	
F Criminal justice reform								
-	-	-	-	-	-	-	-	
G National Offender Management Service HQ								
-	-	-	-	-	-	-	-	
H Prisons - private sector								
-	-	-	-	-	-	-	-	
I Prisons - public sector								
-	-	-	-	-	-	-	-	
J Probation HQ								
-	-	-	-	-	-	-	-	
K Border and Immigration Agency								
110,994	1,517,427	1,000	1,629,421	388,970	1,240,451	107,589	-	
L Identity and passport service								
3,400	464,500	-	467,900	388,000	79,900	50,000	-	
M Central services								
196,749	69,897	225	266,871	41,896	224,975	4,800	-	
N European Refugee Fund								
-	-	1	1	-	1	-	-	
<i>Support for Local Authorities</i>								
O Police grants								
-	-	5,038,506	5,038,506	-	5,038,506	-	-	
P Crime reduction grants								
-	-	102,242	102,242	-	102,242	-	-	
Q Counter terrorism and Intelligence grants								
-	-	724,618	724,618	-	724,618	-	-	
R Border and Immigration Agency grants								
-	-	166,627	166,627	-	166,627	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
S	Local Area Agreements						
-	-	90,019	90,019	-	90,019	-	-
T	Other grants						
-	-	-	-	-	-	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government Spending</i>							
U	Police superannuation						
-	-	897	897	-	897	-	-
<i>Support for Local Authorities</i>							
V	Police superannuation						
-	-	355,000	355,000	-	355,000	-	-
Non-Budget							
W	Independent Police Complaints Commission						
-	-	32,307	32,307	-	32,307	-	-
X	Serious Organised Crime Agency						
-	-	490,575	490,575	-	490,575	-	-
Y	Security Industry Authority						
-	-	1	1	-	1	-	-
Z	Parole Board						
-	-	-	-	-	-	-	-
AA	National Probation Service (local area boards)						
-	-	-	-	-	-	-	-
AB	Youth Justice Board						
-	-	-	-	-	-	-	-
AC	Criminal Injuries Compensation Authority						
-	-	-	-	-	-	-	-
AD	Criminal Cases Review Commission						
-	-	-	-	-	-	-	-
AE	Office of the Immigration Service Commissioner						
-	-	4,495	4,495	-	4,495	-	-
AF	Fine refunds to carriers						
-	50	-	50	-	50	-	-
AG	Loan charges						
-	-	9,669	9,669	-	9,669	-	-
AH	National Policing Improvement Agency						
-	-	612,968	612,968	-	612,968	-	-
AI	Independent Safeguarding Authority						
-	-	713	713	-	713	-	-

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	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government Spending</i>								
AJ Impairments								
-	4,000	-	4,000	-	4,000	-	-	
Total for Estimate:								
502,748	2,293,065	7,916,499	10,712,312	970,315	9,741,997	183,172	1,193	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	9,639,503	102,494	9,741,997
Voted capital items			
Capital	190,775	-7,603	183,172
<i>Less:</i> Non-operating A in A	-	1,193	1,193
Total net voted capital	190,775	-8,796	181,979
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,447	-	-3,447
Depreciation	-115,470	3,975	-111,495
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	3,038	-	3,038
Increase(+)/decrease (-) in debtors	4,971	-	4,971
Increase(-)/decrease (+) in creditors	6,169	-	6,169
Use of provisions	-	-	-
Total accruals to cash adjustments	-104,739	3,975	-100,764
Excess cash to be CFERd	-	-	-
Net Cash Requirement	9,725,539	97,673	9,823,212

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	394,600
Total Net Administration Costs	394,600
Net Programme Costs	
RfR1	9,347,397
Non-voted	-157,256
Total Net Programme costs	9,190,141
Total Net Operating Cost	9,584,741
<i>of which:</i>	
Net Resource Requirement	9,741,997
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-157,256
Resource Budget	9,027,351

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	9,741,997
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-157,256
Other adjustments	-
Net Operating Costs (Accounts)	9,584,741
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-271,328
European Union income related to capital grants	-
voted expenditure outside the budget	-9,719
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	9,256
resource consumption of non-departmental public bodies	-266,727
unallocated resource provision	-
Other adjustments	-18,872
Resource Budget (Budget)	9,027,351
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	8,659,454
Annually Managed Expenditure (AME)	367,897

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	181,979
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	262,589
capital grants	271,328
European Union income related to capital grants	-
supported capital expenditure (revenue)	28,918
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	18,872
Capital Budget (Budget)	763,686
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	763,686
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Sir David Normington, Permanent Head of Department

Sir David Normington as the Accounting Officer of the Home Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Home Office.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

 2007-08
 Provision

RfR 1: Protecting the public and securing our future

Administration	108,148
<i>of which:</i>	
Sale of goods and services	107,080
Receipt of interest on loan from a public corporation.	1,068
Programme	862,167
<i>of which:</i>	
Sale of goods and services	399,867
Receipts from other government departments	70,400
Interest and dividends	3,900
Regulatory licences, fines, penalties and taxes	388,000
Total RfR1	970,315 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from:

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

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

Charges for provision of additional (or special) immigration services, receipts in connection with the Channel Tunnel, from carrying companies for any expenses incurred in respect of certain persons detained or liable to be detained under Immigration Act 1971 and Immigration and Nationality Act 1999, fees under the British Nationality Acts 1948 and 1981, fees for Certificates of Entitlement for Right of Abode, fees for passports in respect of services to individual applicants, fees for work permits and after entry charges under the Asylum and Immigration Act 2002, recoveries related to passport search fees, receipts under the Misuse of Drugs Act 1971, fees payable to the Commissioner for the Registration of Immigration Advisors.

Total Operating A in A	970,315
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Notes to the Estimate (*continued*)

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

	£'000
	<u>2007-08 Provision</u>
RfR 1: Protecting the public and securing our future	
Programme	1,193
<i>of which:</i>	
Capital repayment of loan by the Forensic Science Service	1,193
Total RfR1	1,193 †
<i>† Amounts 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 payments.</i>	
Total Non - operating A in A	1,193

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-3,021	-437	7,941,122	718,332	8,659,454
<i>of which: †</i>					
Administration budget	4,502	-24,042	394,600	-	394,600
Near-cash in RDEL	4,954	-8,110	7,830,180	659,654	8,489,834
Capital ††	11,224	-	472,179	291,507	763,686
Less Depreciation †††	7,975	-7,673	-107,495	-59,758	-167,253
Total	16,178	-8,110	8,305,806	950,081	9,255,887

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	971,508

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1 - E3	Grant to the Independent Custody Visiting Association	250
RfR1 - E3	Grant to the Council for the Registration of Forensic Practitioners	300
RfR1 - E3	Police Superintendants Association	380
RfR1 - E3	Police Federation	135
RfR1 - E3	Grant to the association for Bereavement Counselling of Road Accident Victims	28
RfR1 - E3	National Black Police Association (NBPA)	80
RfR1 - E3	Association of Chief Police Officers (ACPO)	470
RfR1 - E3	British Association of Women Police (BAWP)	35
RfR1 - E3	Police Negotiating Board (PNB) - Independent Secretariat	52
RfR1 - E3	Police Negotiating Board (PNB) - Official Side Secretariat	242
RfR1 - E3	Police Negotiating Board (PNB) - Staff Side	126
RfR1 - K3	Refugees into jobs - grants for training/education	391

Grants in aid

RfR/Section	Body	£ '000
RfR1 - W	Independent Police Complaints Commission	32,307
RfR1 - X	Serious Organised Crime Agency	490,575
RfR1 - Y	Security Industry Authority	1
RfR1 - AE	Office of the Immigration Service Commissioner	4,495
RfR1 - AH	National Policing Improvement Agency	612,968
RfR - AI	Independent Safeguarding Authority	713

Assets Recovery Agency

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
Section A	Take up of near-cash Resource DEL EYF to meet Agency latest best estimate and further merger costs anticipated by the ARA and SOCA/NPIA pre-anticipated merger on 1 April 2008:		
	Subhead A1 (administration)	107,000	-
	Subhead A2 (programme)	1,749,000	-
<u>Transfers from resource spending to capital spending (not capital grants)</u>			
Section A	Transfer from subhead A2 to subhead A7 to cover anticipated capital spend for 2007-08.	-	-150,000
<u>Other changes</u>			
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section A	Additional resources of on subhead A1 (administration) offset by an increase in appropriations in aid on subhead A5. This relates to projected bank interest.	175,000	-175,000
Section A	Additional resources on subhead A2 (programme) offset by an increase in appropriations in aid on subhead A5. This relates to projected additional incentivisation income, training income, interest and netted off additional receivers costs.	2,638,000	-2,638,000
		<u>Total</u>	
Total change in resources for RfR1		4,669,000	-2,963,000
			1,706,000

<u>Changes in Capital</u>			
<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Other changes</u>			
<u>Transfers from resources to capital</u>			
Section A	Transfer from subhead A2 to subhead A7 cover anticipated capital spend for 2007-08.	150,000	-
		<u>Total</u>	
Total change in capital for Estimate		150,000	-
			150,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £1,856,000.

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

Assets Recovery Agency

Part I

£

RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation	1,706,000
Total additional net resource requirement	1,706,000
Additional net cash requirement	1,856,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Assets Recovery Agency on:

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

Payments and expenses related to investigation, litigation and enforcement of referred cases from law enforcement agencies, expenses for the development and delivery of specialist training courses in financial investigation and other associated asset identification and recovery, payments and expenses relating to the merger between the Agency and the Serious Organised Crime Agency and National Police Improvement Agency, expenses related to the administration and management of the service provision and associated non-cash items.

The **Assets Recovery Agency** will account for this Estimate.

Part II: Changes proposed

£'000

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

Spending in Departmental Expenditure Limits (DEL)

RfR 1 - A	Helping to reduce crime	16,301	4,519	2,813	1,706	18,007
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Total RfR 1

4,519	2,813	1,706
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Total Changes to RfRs

4,519	2,813	1,706
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£000

Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	-	150	150
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Non-Operating A in A	-	-	-
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Net cash requirement	18,931	1,856	20,787
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Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation							
4,993	27,152	-	32,145	14,138	18,007	150	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Helping to reduce crime							
4,993	27,152	-	32,145	14,138	18,007	150	-
Total for Estimate:							
4,993	27,152	-	32,145	14,138	18,007	150	-

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	16,301	1,706	18,007
Voted capital items			
Capital	-	150	150
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	-	150	150
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	30	-	30
Depreciation	-419	-	-419
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-81	-	-81
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	100	-	100
Increase(-)/decrease (+) in creditors	3,000	-	3,000
Use of provisions	-	-	-
Total accruals to cash adjustments	2,630	-	2,630
Excess cash to be CFERd	-	-	-
Net Cash Requirement	18,931	1,856	20,787

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	4,743
Total Net Administration Costs	4,743
Net Programme Costs	
RfR1	13,264
Total Net Programme costs	13,264
Total Net Operating Cost	18,007
<i>of which:</i>	
Net Resource Requirement	18,007
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	18,007

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	18,007
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	18,007
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	18,007
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	18,007
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	150
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	150
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	150
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Alan McQuillan, Interim Director of the Assets Recovery Agency

Alan McQuillan as the Accounting Officer of the Assets Recovery Agency has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Assets Recovery Agency.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08
Administration	250
<i>of which:</i>	
Sale of goods and services	250
Programme	13,888
<i>of which:</i>	
Sale of goods and services	13,888
Total RfR1	14,138 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: amount recovered through the delivery of specialist training courses in financial investigation and other associated asset identification and recovery to law enforcement agencies.

Total Operating A in A	14,138
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1,706	-	18,007	-	18,007
<i>of which: †</i>					
<i>Administration budget</i>	107	-	4,743	-	4,743
<i>Near-cash in RDEL</i>	1,706	-	17,537	-	17,537
Capital ††	150	-	150	-	150
Less Depreciation †††	-	-	-419	-	-419
Total	1,856	-	17,738	-	17,738

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	14,138

Charity Commission

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Giving the public confidence in the integrity of charity			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Transfers to/from Central Funds</u>			
Section A	Take up of £2.6 million from modernisation fund (£3.0 million agreed as part of CSR 07 settlement). Funds to be used to pay for staff severances as part of reprioritisation/reorganisation exercise to ensure the Commission is properly positioned to meet the budget settlement through to 2010-11 (all spending scores as non-cash in the resource DEL budget).	2,600,000	-
<u>Other changes</u>			
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section A	Increase in anticipated appropriations-in-aid arising from services paid for by the Department for Communities and Local Government and the Foreign and Commonwealth Office as well as miscellaneous income.	100,000	-100,000
		<u>Total</u>	
Total change in resources for RfR1		2,700,000	-100,000
		2,600,000	
Total change in resources for Estimate			2,600,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End Year Flexibility</u>			
Section A	Take up of prior years' EYF to fund completion of capital projects to enhance effectiveness of IS systems and increase availability of on-line services.	200,000	-
		<u>Total</u>	
Total change in capital for Estimate		200,000	-
			200,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £200,000.

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

Charity Commission

Part I

	£
RfR 1: Giving the public confidence in the integrity of charity	2,600,000
Total additional net resource requirement	2,600,000
Additional net cash requirement	200,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Charity Commission on:

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

Administration, capital expenditure and associated non-cash items.

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

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Giving the public confidence in the integrity of charity					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	31,743	2,700	100	2,600	34,343
Total RfR 1		2,700	100	2,600	
Total Changes to RfRs		2,700	100	2,600	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	900	200	1,100
Non-Operating A in A	-	-	-
Net cash requirement	31,632	200	31,832

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Giving the public confidence in the integrity of charity								
35,563	-	-	35,563	1,220	34,343	1,100	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
35,563	-	-	35,563	1,220	34,343	1,100	-	
Total for Estimate:								
35,563	-	-	35,563	1,220	34,343	1,100	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	31,743	2,600	34,343
Voted capital items			
Capital	900	200	1,100
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	900	200	1,100
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-88	-	-88
Depreciation	-650	-	-650
New provisions and adjustments to previous provisions	-93	-2,600	-2,693
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-180	-	-180
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-1,011	-2,600	-3,611
Excess cash to be CFERd	-	-	-
Net Cash Requirement	31,632	200	31,832

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	34,343
Total Net Administration Costs	34,343
Net Programme Costs	
RfR1	-
Non-voted	-
Total Net Programme costs	-
Total Net Operating Cost	34,343
<i>of which:</i>	
Net Resource Requirement	34,343
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	34,343

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	34,343
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	34,343
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	34,343
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	34,343
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	1,100
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	1,100
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,100
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Andrew Hind, Chief Executive of the Charity Commission

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

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08
RfR 1: Giving the public confidence in the integrity of charity	
Administration	1,220
<i>of which:</i>	
Sale of goods and services	1,220
Programme	-
<i>of which:</i>	
Total RfR1	1,220 †
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sale of copies of documents, amounts which relate to the Foreign and Commonwealth Office/Charity Commission joint International Outreach project, amounts which relate to funding from the Department of Government and Local Communities for the Faith and Social Cohesion Unit and sub-letting of part of the London building.</i>	
Total Operating A in A	1,220

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	2,600	-	34,343	-	34,343
<i>of which: †</i>					
<i>Administration budget</i>	2,600	-	34,343	-	34,343
<i>Near-cash in RDEL</i>	-	-	30,732	-	30,732
Capital DEL ††	200	-	1,100	-	1,100
Less Depreciation †††	-	-	-650	-	-650
Total DEL	2,800	-	34,793	-	34,793

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	1,220

Ministry of Justice

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government Changes</u>			
Subhead A2	Transfer of near-cash to the Government Equalities Office in relation to the Commission for Equality and Human Rights.		-2,225,000
<u>DEL Reserve claims</u>			
Subhead N2	Increase in near-cash for NOMS Prison Escort Contracts Services Unit (PECS) in relation to the Safeguard Programme.	35,000,000	
Subhead N2	Increase in near cash for the NOMS Custodial Property Unit in relation to the Capacity Programme.	15,000,000	
Subhead G1	Increase in near-cash in respect of Diana Princess of Wales Inquest	6,271,000	
Subhead N2	Increase in near-cash for the NOMS Finance Unit in relation to the End of Custodial Licence Safeguard Programme.	5,000,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
Subhead A2	Reverse Winter supplementary entry transferring the Commission for Equality and Human Rights to The Department for Communities and Local Government	2,225,000	
Subhead A2	Transfer to Northern Ireland Court Service		-15,000,000
Transfers to the CPS totalling £2,080,000 as follows:			
Subhead A2	i) Victims Surcharge		-3,000,000
Subhead M2	ii) Compass	300,000	
Subhead A2	iii) Progress	265,000	
Subhead M2	iv) ExiSSr1	355,000	
Transfers from the DIUS totalling £1,098,000 as follows:			
Subhead P2	i) Learning and skills costs of offender learners in custody and in the community	2,193,000	
Subhead O2	ii) Additional learning costs in the contracted estate	1,550,000	
Subhead N2	iii) Learning and skills costs of offender learners in custody and in the community	933,000	
Subhead P2	iv) Roll forward of OLASS implementation corrections	855,000	
Subhead P2	v) To refund expansion costs at HMP New Hall erroneously allocated in 2005-06	500,000	
Subhead P2	vi) Costs of Prison Video Magazine	50,000	
Subhead N2	vii) To cover Prisoner Education costs associated with additional prison places funded from the SR2004 settlement		-2,785,000
Subhead N2	viii) To cover Prisoner Education costs associated with additional prison places being built by the Capacity Programme		-1,218,000

Introduction (*continued*)

Subhead P2	ix) To cover learning and skills costs in the HMPS Custody to Work programme now taken on by the Learning and Skills Council		-490,000
Subhead P2	x) To cover learning and skills costs in the HMYOI Deerbolt High Intensity Training Programme now taken on by the Learning and Skills Council		-279,000
Subhead P2	xi) To cover learning and skills costs in the HMPS Ten programme now taken on by the Learning and Skills Council		-111,000
Subhead N2	xii) To meet costs of Innovation Fund		-100,000
	Transfers from the Home Office totalling £21,552,000 as follows:		
Subhead A1	i) Corporate costs for headcount transferred admin near cash.	19,250,000	
Subhead A1	ii) Corporate costs for headcount transferred admin non cash.	302,000	
Subhead N2	iii) CJIT near cash programme costs.	1,000,000	
Subhead M2	iii) CJIT near cash programme costs.	1,000,000	
Subhead A2	Transfer of near cash to the Welsh Assembly in relation to Election costs for the National Assembly of Wales.		-1,190,000
Subhead N2	Transfer of near cash to the Department of Health to cover costs of Prisoner Healthcare for additional prison places being built by the Capacity Programme.		-1,043,000
	<u>Other changes in DEL spending</u>		
Subhead C5	Additional income in relation to Fine Enforcement		-44,600,000
Subhead A2	Underspend due to release of non-cash provision from Legal Services Commission.		-47,567,000
Subhead V3	Increase in Cash Grant to Criminal Injuries Compensation Authority in line with Management Delegations	22,000,000	

Other Changes

Resource transfers within the Request for Resources

C2 to M2	NES Pathfinder Project	499,000	-499,000
C2 to M2	NES Pathfinder Project	149,000	-149,000
C2 to M2	NES Resource funding	2,180,000	-2,180,000
A2 to M2	Write off of NETS assets	4,000,000	-4,000,000
N2 to P2	Offender Management Model implementation for High Security	1,184,000	-1,184,000
N2 to O2	Offender Management in Custody Rollout at HMP Altcourse.	390,000	-390,000
N2 to O2	Offender Management in Custody Rollout at HMP Bronzefield.	100,000	-100,000
N2 to O2	Offender Management in Custody Rollout at HMP Doncaster.	152,000	-152,000
N2 to O2	Offender Management in Custody Rollout at HMP Dovegate.	346,000	-346,000
N2 to O2	Offender Management in Custody Rollout at HMP Forest Bank.	344,000	-344,000
N2 to O2	Resource programme from NOMS Programme Directorate to East Midlands Regional Offender Manager towards the cost of Offender Management in Custody Rollout at HMP Lowdham Grange.	217,000	-217,000
N2 to O2	Offender Management in Custody Rollout at HMP Parc.	205,000	-205,000
N2 to O2	Offender Management in Custody Rollout at HMP Peterborough.	268,000	-268,000
N2 to O2	Offender Management in Custody Rollout at HMP Rye Hill.	368,000	-368,000
N2 to O2	Offender Management in Custody Rollout at HMP Wolds.	292,000	-292,000
N2 to O2	Offender Management in Custody Rollout Phase III at Contracted Prisons.	700,000	-700,000
N2 to P2	Contractors Escorts and Maintenance costs - Operations.	1,771,000	-1,771,000
N2 to P2	Contractors Escorts and Maintenance cost - High Security.	400,000	-400,000
N2 to P2	Drug costs.	2,600,000	-2,600,000
P2 to O2	IDTS funding	223,000	-223,000

Introduction (continued)

P2 to N2	Laundry equipment for the Stocken Houseblock Project.	115,000	-115,000
P2 to N2	Dangerous & Severe Personality Disorder Unit at HMP Frankland.	277,000	-277,000
N2 to O2	Additional places provided through the completion of the new housing block.	2,931,000	-2,931,000
N2 to O2	Provision of additional prisoner places	1,084,000	-1,084,000
N2 to P2	Escorts and Maintainance costs.	2,000,000	-2,000,000
N2 to P2	One-off and ongoing costs of additional prison places that are being built as part of the Capacity Programme	28,643,000	-28,643,000
N2 to O2	Additional places being provide at Altcourse & Forest Bank	2,289,000	-2,289,000
N2 to O2	Additional prison places provided at Doncaster and the Wolds.	275,000	-275,000
P2 to N2	NOMS share of savings from the new Quantum Deal.	22,000,000	-22,000,000
N2 to P2	1,048 training places for OASys in both the public and private sector prisons.	301,000	-301,000
O2 to N2	Budget re-distribution to reflect the new organisation.	4,000,000	-4,000,000
Q1 to N1	Budget has been subsumed into the N1 Budget subhead	4,257,000	-4,257,000
Q2 to N2	Budget subsumed into the N2 Budget subhead	53,451,000	-53,451,000
H3 to J3	Reallocation of budget	178,000	-178,000
C2 to A2	Logica & ATOS CCNs & orders	57,000	-57,000
C2 to A2	Progress Funding	1,640,000	-1,640,000
A1 to N1	Information Rights Division Costs	96,000	-96,000
A1 to N1	Analyst Division Costs	113,000	-113,000
A1 to M1	SRG Data Collection Divison	107,000	-107,000
A1 to M1	SRG Division	339,000	-339,000
C2 to A2	MCC Early Departure Costs Provision Release	4,659,000	-4,659,000
C2 to A2	CUPID Provision Release	3,673,000	-3,673,000
C2 to A2	Provision for Quay Street	800,000	-800,000
A2 to C2	Accrual of Interest on the MCC pension provision	12,000,000	-12,000,000
A2 to C2	Depreciation and Cost of Capital in respect of LIBRA and SUPS	1,835,000	-1,835,000
A2 to C2	Resource funding for SUPS	5,600,000	-5,600,000
C2 to M2	Bichard Funding	150,000	-150,000
A2 to C2	Funding for LIBRA extended SAT and joining up costs	1,613,000	-1,613,000
C2 to A2	RAMP funding	970,000	-970,000
U3 to P2	YJB to HMPS	4,500,000	-4,500,000
A2 to K3	In year litigation funding	350,000	-350,000
K3 to A2	In year litigation funding	300,000	-300,000
P2 to N2	Transfer back Programme element from HMPS to NOMS for Operational Policy Directorate	2,828,000	-2,828,000
N1 to P1	Transfer from N1 to P1 Admin from NOMS to HMPS for Operational Policy Directorate to replace the programme transferred	2,828,000	-2,828,000
N2 to U3	PECS VAT	2,240,000	-2,240,000
N2 to O2	Additional Prisoner Places at Peterborough Prison	1,409,000	-1,409,000
A2 to M2	Portal related costs	2,890,000	-2,890,000
A1 to A2	Reclassification of Admin expenditure to programme expenditure following discussions with HM - Treasury	261,000,000	-261,000,000
N2 to O2	Costs associated with Altcourse prison.	1,841,000	-1,841,000
A2 to C2	Management delegations	44,600,000	-44,600,000
B1 to A1	Reclassification	412,000	-412,000
B5 to A5	Reclassification	400,000	-400,000
W3 to M2	Transfer of resource spending from NDPB	60,000	-60,000
	<u>Changes in non-budget spending</u>		
M7 to V3	Capital spend in NDPB	2,500,000	

Introduction (*continued*)

M7 to W3	Capital spend in NDPB	60,000	
A7 to H3	Capital requirement for the LSC.	3,000,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A2 and A5	Claims Management Regulation income	300,000	-300,000
C2 and C5	Fine Incentive Scheme -Requesting A-in-A	5,000,000	-5,000,000
C2 and C5	Bailiff Netting off scheme, recharges and recovery income higher than expected	1,307,000	-1,307,000
M2 and M5	OCJR Victim & Witness Unit's resource provision to enable utilisation of additional resource receipts from the Scottish Executive arising from additional expenditure by the Criminal Injuries Compensation Authority.	6,848,000	-6,848,000
A1 and A5	Sundry Income	70,000	-70,000
C2 and C5	Decrease in C2 and C5 in line with Management delegations	44,600,000	-44,600,000
		<u>Total</u>	<u>675,233,000</u>
			<u>-675,232,000</u>
		Total change in resources for RfR1	1,000

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
Subhead A1	Draw down of admin near-cash EYF from previous years	900,000	
<u>Other changes</u>			
<u>Changes in non-budget spending</u>			
Subhead D3	Increase in Grant to the Scottish Parliament	64,459,000	
		<u>Total</u>	<u>65,359,000</u>
		Total change in resources for RfR2	65,359,000

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
Subhead A1	Draw down of admin near-cash EYF from previous years	950,000	
		<u>Total</u>	<u>950,000</u>
		Total change in resources for RfR3	950,000
Total change in resources for Estimate			66,310,000

Introduction (*continued*)

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>	
<u>Changes related to movements in budgets</u>				
<u>Take up of DEL End Year Flexibility</u>				
Subhead A7	Draw down in capital in relation to Queen Anne's Gate.	131,000,000		
Subhead A7	Draw down in capital in relation to 2006/07 underspend.	39,800,000		
<u>DEL Reserve claims</u>				
Subhead N7	Increase in Capital DEL from HMT on behalf of NOMS Custodial Property Unit for the 500 Places Capacity Programme.	60,000,000		
<u>Transfers of budgetary cover to/from other government departments</u>				
Subhead F7	Transfer from Department for Business, Enterprise and Regulatory Reform to MOJ in respect of capital costs for the Cashflow Project	1,628,000		
Subhead P7	Transfer from Home Office in respect of Phoenix House	3,000,000		
<u>Other changes</u>				
<u>Transfers to/from non-voted spending</u>				
M7 to W3	Expected capital costs in NDPB		-60,000	
M7 to V3	Expected capital costs in NDPB		-2,500,000	
A7 to H3	Capital requirement for the LSC.		-3,000,000	
<u>Transfers within the Estimate</u>				
A7 to M7	Capital funding for NES Project.	5,910,000	-5,910,000	
Q7 to N7	Budget has been subsumed into the "N Budget" subhead	1,800,000	-1,800,000	
A7 to C7	SUPS and LIBRA	3,300,000	-3,300,000	
C7 to A7	Crown Court videolink refurbishment	1,475,000	-1,475,000	
C7 to A7	Manchester CJC videolink equipment	105,000	-105,000	
A7 to M7	Portal related costs	403,000	-403,000	
A7 to C7	NES capital funding	400,000	-400,000	
		<u>Total</u>	<u>248,821,000</u>	<u>-18,953,000</u>
Total change in capital for Estimate			229,868,000	

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £560,876,000.

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

Ministry of Justice

Part I

	£
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	† 1,000
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	65,359,000
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales	950,000
Total additional net resource requirement	66,310,000
Additional net cash requirement	† 560,876,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Ministry of Justice on:

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

HQ and associated offices; administration of the Judicial Pension Scheme, administration of the Office of the Information Commissioner and the Judicial Appointments Commission. HM Courts Service and associated activities including fine income netting off and asset recovery incentive scheme, pre-1990 loan charges debt payments, Justices Clerks' Societies, grants in relation to the Debt Programme and Better Dispute Resolution project, Wider Markets Initiatives; Section 31 grants to Local Authorities; the Public Guardianship Office;

Official Solicitor and Public Trustee; Courts Funds Office; Legal Aid paid through the Criminal Defence Service and Community Legal Service, administration for the Legal Services Commission. Payment of Grant and grant in aid to organisations promoting Ministry of Justice objectives including NDPBs, administration of central government tribunals via the Tribunals Service; costs paid from central funds; the Appellate Committee of the House of Lords and the Judicial Committee of the Privy Council; costs in relation to constitutional offices; democracy and constitution, human rights workshops and surveys; promotion of information rights; electoral policy; research into constitution settlement/devolution; European and international judicial policy; EU Presidency events;

Judicial Exchange programmes; research on behalf of the British Institute of International and Competition Law; Constitutional education programmes within schools, costs in relation to the policy on the conduct of all national elections and referendums in the UK and local elections; referendums in England and Wales (except mayoral Referendums in Wales); proposals under the Electoral Administration Bill, including the establishment and maintenance of the Co-ordinated on-line record of Electors (CORE); funding of voting pilots policy on coroner and cremation services; support to Local Authorities for additional coroner work, payments in relation to the royal inquest, applications for exhumations, cremating repatriated remains and the closing of burial grounds, other legal services, joint initiatives in the Criminal Justice System, Criminal Policy and Programmes including offender programmes and the National Probation Service. The prevention and treatment of drug abuse; crime reduction and prevention; Criminal Injuries Compensation, counter terrorism and intelligence,

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

Ministry of Justice

Part I

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

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

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

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

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

† The Commission for Equality and Human Rights (RfR1, Section A - Headquarters and Associated Offices) was transferred to the Government Equalities Office on 26 July 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement is reduced by £2,225,000; and
- b) the net cash requirement is reduced by £2,225,000.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: 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 spending</i>					
RfR1 - A Headquarters and Associated Offices	951,556	-107,602	770	-108,372	843,184
RfR1 - B Judicial Pensions Administration	12	-412	-400	-12	-
RfR1 - C HM Courts Service	982,324	12,578	6,307	6,271	988,595
RfR1 - G Princess of Wales Inquest	370	6,271	-	6,271	6,641
Non-Budget					
RfR1 - H Legal Services Commission: Administration	121,978	2,822	-	2,822	124,800
RfR1 - J Community Legal Service	896,354	178	-	178	896,532
RfR1 - K Information Commissioner's Office	5,000	50	-	50	5,050
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR1 - M Criminal Justice Reform	133,244	18,877	6,848	12,029	145,273
RfR1 - N National Offender Management Service HQ	1,038,112	83,746	-	83,746	1,121,858
RfR1 - O Prisons Private Sector	248,029	10,984	-	10,984	259,013
RfR1 - P Prisons Public Sector	2,036,002	21,502	-	21,502	2,057,504
RfR1 - Q Probation HQ	57,708	-57,708	-	-57,708	-
Non-Budget					
RfR1 - U Youth Justice Board	448,881	-2,260	-	-2,260	446,621
RfR1 - V Criminal Injuries Compensation Authority	223,789	24,500	-	24,500	248,289
Total RfR 1		13,526	13,525	1	
RfR 2: 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)					
<i>Central Government spending</i>					
RfR 2 - A Scotland Office	4,424	900	-	900	5,324
Non-Budget					
RfR 2 - D Grant payable to the Scottish Consolidated Fund	24,945,276	64,459	-	64,459	25,009,735
Total RfR 2		65,359	-	65,359	

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales

Spending in Departmental Expenditure Limits (DEL)

Central Government Spending

RfR 3 - A	Wales Office	4,389	950	-	950	5,339
Total RfR 3			950	-	950	
Total Changes to RfRs			79,835	13,525	66,310	

£000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	802,648	229,868	1,032,516
Non-Operating A in A	33,000	-	33,000
Net cash requirement	46,250,049	560,876	46,810,925

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							
475,153	6,378,593	3,819,052	10,672,798	1,120,122	9,552,676	1,031,650	33,000
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Headquarters and Associated Offices							
242,674	638,512	-	881,186	38,002	843,184	196,949	11,300
B Judicial Pensions Administration							
-	-	-	-	-	-	-	-
C HM Courts Service							
18,225	1,595,743	-	1,613,968	625,373	988,595	188,990	21,700
D Office of the Public Guardian and Court of Protection							
-	19,927	-	19,927	18,800	1,127	2,000	-
E Costs from Central Funds							
-	45,000	-	45,000	-	45,000	-	-
F Tribunals Service							
27,090	304,344	-	331,434	28,505	302,929	6,188	-
G Princess of Wales Inquest							
6,641	-	-	6,641	-	6,641	-	-
Non-Budget							
H Legal Services Commission: Administration							
-	-	124,800	124,800	-	124,800	-	-
I Criminal Defence Service							
-	-	1,153,246	1,153,246	-	1,153,246	-	-
J Community Legal Service							
-	-	896,532	896,532	-	896,532	-	-
K Information Commissioner's Office							
-	-	5,050	5,050	-	5,050	-	-
L Judicial Appointments Commission							
-	-	7,130	7,130	-	7,130	-	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
M Criminal Justice Reform							
19,349	116,151	37,500	173,000	27,727	145,273	43,355	-
N National Offender Management Service HQ							
81,776	1,092,497	-	1,174,273	52,415	1,121,858	574,864	-
O Prisons Private Sector							
1,078	257,935	-	259,013	-	259,013	-	-
P Prisons Public Sector							
78,320	2,308,484	-	2,386,804	329,300	2,057,504	19,304	-

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000	
1	2	3	4	5	6	7	8		
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
Q	Probation HQ	-	-	-	-	-	-	-	
<i>Support to local authorities</i>									
R	CORE capital grants to local authorities	-	2,000	2,000	-	2,000	-	-	
Non-Budget									
S	Parole Board	-	7,789	7,789	-	7,789	-	-	
T	National Probation Services (local area boards)	-	881,090	881,090	-	881,090	-	-	
U	Youth Justice Board	-	446,621	446,621	-	446,621	-	-	
V	Criminal Injuries Compensation Authority	-	248,289	248,289	-	248,289	-	-	
W	Criminal Cases Review Commission	-	6,815	6,815	-	6,815	-	-	
X	Loan Charges	-	2,190	2,190	-	2,190	-	-	
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government									
		9,024	300	25,009,735	25,019,059	1,600	25,017,459	100	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Scotland Office	6,199	-	-	6,199	875	5,324	100	-
B	Office of the Advocate General	2,825	-	-	2,825	725	2,100	-	-
C	Boundary Commission for Scotland	-	300	-	300	-	300	-	-
Non Budget									
D	Grant payable to the Scottish Consolidated Fund	-	25,009,735	25,009,735	-	25,009,735	-	-	

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 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales								
5,348	-	11,988,213	11,993,561	9	11,993,552	766	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Wales Office								
5,348	-	-	5,348	9	5,339	766	-	
Non-budget								
B Grant payable to the National Assembly for Wales								
-	-	11,988,213	11,988,213	-	11,988,213	-	-	
Total for Estimate:								
489,525	6,378,893	40,817,000	47,685,418	1,121,731	46,563,687	1,032,516	33,000	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	46,497,377	66,310	46,563,687
Voted capital items			
Capital	802,648	229,868	1,032,516
<i>Less:</i> Non-operating A in A	<u>33,000</u>	<u>-</u>	<u>33,000</u>
Total net voted capital	769,648	229,868	999,516
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-353,837	-18,467	-372,304
Depreciation	-331,934	-6,455	-338,389
New provisions and adjustments to previous provisions	-464,435	280,488	-183,947
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-62	-266	-328
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	29,383	-	29,383
Use of provisions	<u>103,909</u>	<u>9,398</u>	<u>113,307</u>
Total accruals to cash adjustments	-1,016,976	264,698	-752,278
Excess cash to be CFERd	-	-	-
Net Cash Requirement	46,250,049	560,876	46,810,925

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	466,626
RfR2	7,424
RfR3	5,339
	<hr/>
Total Net Administration Costs	479,389
Net Programme Costs	
RfR1	8,883,617
RfR2	25,010,035
RfR3	11,988,213
Non-voted	88,000
	<hr/>
Total Net Programme costs	45,969,865
Total Net Operating Cost	46,449,254
<i>of which:</i>	
Net Resource Requirement	46,563,687
Non-voted expenditure	88,000
Consolidated Fund Extra Receipts	-
Resource Budget	8,936,921

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	46,563,687
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	88,000
Consolidated Fund extra receipts in the OCS	-
Reduction to reflect underspending	-202,433
Net Operating Costs (Accounts)	46,449,254
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-2,000
European Union income related to capital grants	-
voted expenditure outside the budget	-36,997,948
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-512,385
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	8,936,921
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	8,936,046
Annually Managed Expenditure (AME)	875

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	999,516
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	35,615
capital grants	2,000
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	1,037,131
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,037,131
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Sir Suma Chakrabarti, Permanent Head of Department
Request for Resources 2	David Middleton, Head of Scotland Office
Request for Resources 3	Alan Cogbill, Head of Wales Office

Sir Suma Chakrabarti as the Principal Accounting Officer of the Ministry of Justice has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of the Ministry of Justice.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

In accordance with Managing Public Money requirements, the relationship between the PAO and the Additional Accounting Officers and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	
Administration	8,527
<i>of which:</i>	
Sale of goods and services	8,527
Programme	1,111,595
<i>of which:</i>	
Sale of goods and services	1,111,595
Total RfR1	1,120,122 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from:

Civil court fees; receipts in relation to the victims surcharge, charges and receipts received. Fees charged by the Public Trustee, recoveries by the Official Solicitor, fees charged by the Office of the Public Guardian and Court of Protection; recoveries from the 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 from the National Insurance Fund for the cost of Social Security Commissioners, income from National Insurance Fund in relation to the Tribunals Appeals Service. Fees relating to the Office of the Information Commissioner and receipts in relation to data protection enquiries. Fees from nursery facilities and other fees; receipts from rents; service charges and site usage; recovery for magistrates' courts accommodation. Contributions paid by legally aided defendants in the higher courts.

Receipts of VAT refunds on contracted out services. Receipts in respect of judicial superannuation contributions and receipts from the Judicial Pensions supply estimate to fund administrative costs. Receipts from the European Commission; receipts from all tribunals, receipts under the New Deal Scheme and receipts from Wider Markets Initiatives. Receipts from Royal Licences; recovery of costs relating to the Hunting Bill; receipts in relation to Enforcement Improvement schemes. Receipts in relation to the devolution Service Level Agreement; receipts in relation to by-election funding; receipts in relation to the use of DDJs as prison adjudicators. Receipts in relation to Legal Services Complaints Commission; receipts in relation to Claims Management Regulation; receipts in relation to Scotland Office secondees; receipts in relation to Data Protection enquiries. Contributions from the Royal Household in respect of coroners work.

Receipts from government departments, sale of hire of vehicles, plant, machinery, land and buildings, sale of equipment and scrap, tax rebates, recovery of staff on loan or seconded to outside bodies, repayment services, payments for information and publications, private telephone calls, vending machines, telex, postal and bank charge recoveries. European Fast stream receipts from the Cabinet Office, subsidies under the welfare for work programme. Contributions towards grant programmes and training services. Profit on the sales of capital assets, compensation and insurance, contributions towards criminal justice system initiatives, rebates and commission from service contracts. Payments from Health authorities, payments from the Scottish Executive, Northern Ireland Office and the National Assembly for Wales, and from the Learning and Skills Council, the Heritage Lottery Fund and Sport England. Share of gross profits from prison shops and from services purchased by staff etc from the activities of prison industries and farms from the supply of inmate labour and from other goods and services.

Agricultural subsidies from advertisements in the Prison Service News and from the sale of waste, payments from the Youth Justice Board and income arising from Machinery of Government changes.

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

Administration	1,600
<i>of which:</i>	
Sale of goods and services	1,600
Total RfR2	1,600 †

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales	
Administration	9
<i>of which:</i>	
Sale of goods and services	9
Total RfR3	9 †
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from rent for use of accommodation in Gwydyr House by the National Assembly of Wales.</i>	
Total Operating A in A	1,121,731

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

	£'000
	2007-08
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	
Administration	-
<i>of which:</i>	
Sale of assets	-
Programme	33,000
<i>of which:</i>	
Sale of assets	33,000
Total RfR1	33,000 †
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: the disposal of land, buildings and surplus equipment.</i>	
Total Non-Operating A in A	33,000

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-23,439	-204,703	5,784,187	3,151,859	8,936,046
<i>of which: †</i>					
<i>Administration budget</i>	-233,327	-	479,389	-	479,389
<i>Near-cash in RDEL</i>	29,428	7,128	4,686,786	3,873,476	8,560,262
Capital DEL ††	229,868	5,560	1,001,516	35,615	1,037,131
Less Depreciation †††	-6,455	-	-338,389	-5,954	-344,343
Total DEL	199,974	-199,143	6,447,314	3,181,520	9,628,834

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	1,154,731

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR 1 - M3	Institute of Psychiatry Teaching Unit	350
RfR 1 - M3	Fawcett Society	35
RfR 1 - M3	National Association for Care & Resettlement of Offenders (NACRO)	221
RfR 1 - M3	Centre for Criminology Justice Economics & Psychology	250
RfR 1 - M3	Revolving Doors	44
RfR 1 - M3	Grant for a diversity restorative justice research pilot	525

Grants in Aid

RfR/Section	Body	£'000
RfR 1 - K	Information Commissioner ♥	5,050
RfR 1 - L	Judicial Appointments Commission ♥	7,130
RfR 1 - S	Parole Board ♥	7,789
RfR 1 - T	Probation Service Grants to Local Area Boards ♥	881,090
RfR 1 - U	Youth Justice Board ♥	446,621
RfR 1 - V	Criminal Injuries Compensation Authority ♥	248,289
RfR 1 - W	Criminal Cases Review Commission ♥	6,815

Contingent Liabilities

Nature of Liability	£'000
The Prison service would be liable to meet any uninsured costs incurred by the privately managed prisons .	Unquantifiable
The National Probation Service has reported the Provision of Indemnity to Members of the forty two local area Probation Boards to maintain the same status of indemnity that was provided by local authorities. The government has agreed that an individual Board member should be indemnified against legal damages and costs arising from advice given, or actions done, honestly and in good faith in the execution of his or her board functions, except where the member has acted recklessly. (Minute 6th June 2005)	Unquantifiable
Mubarek Inquiry team Indemnity in relation to any legal action taken against the Chairman or members of the Independent Inquiry into the death of Zahid Mubarek at the Feltham Young Offenders Institution. (Minute 10th March 2006)	Unquantifiable

Ministry of Justice: Judicial Pensions Scheme

Introduction

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

		Amount £	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Judicial Pensions Scheme			
<u>Section</u>	<u>Reason for change</u>		
	<u>Changes related to movements in budgets</u>		
	<u>Changes in Annually Managed expenditure (AME)</u>		
	<u>AME Forecast</u>		
A	1. To provide for expected increases in the Current Service Cost of £1,000,000, split between £432,000 for the voted element and £568,000 for the non-voted element, following revised valuation from Government Actuary's Department.	432,000	
	2. To provide for expected increases in the Interest Cost, following revised valuation from Government Actuary's Department.	2,000,000	
	<u>AME Forecast</u>		
	3. To provide for expected decreases in the employer and employee contributions income.	1,065,000	
	<u>Total</u>	3,497,000	-
	Total change in resources for RfR1		3,497,000
	Total change in resources for Estimate		3,497,000

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

Ministry of Justice: Judicial Pensions Scheme †

Part I

	£
RfR 1: Judicial Pensions Scheme	3,497,000
Total additional net resource requirement	3,497,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Judicial Pensions Scheme on:

RfR 1: Judicial Pensions Scheme

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

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

† In the Main Estimate this Estimate was entitled 'Department for Constitutional Affairs: Judicial Pensions Scheme'.

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: Judicial Pensions Scheme						
Spending in Annually Managed Expenditure (AME)						
RfR 1 - A	Judicial Pensions Scheme	39,539	2,432	-1,065	3,497	43,036
	Total RfR 1		2,432	-1,065	3,497	
	Total Changes to RfRs		2,432	-1,065	3,497	

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

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Judicial Pensions Scheme								
-	-	124,952	124,952	81,916	43,036	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
A Judicial Pensions Scheme								
-	-	124,952	124,952	81,916	43,036	-	-	
Total for Estimate:								
-	-	124,952	124,952	81,916	43,036	-	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net total Resources	39,539	3,497	43,036
Voted capital items			
Capital expenditure	-	-	-
<i>Less:</i> non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-122,520	-2,432	-124,952
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	22,000	3,392	25,392
Total accruals to cash adjustments	-100,520	960	-99,560
Excess cash to be CFERd	60,982	-4,457	56,525
Net cash requirement	1	-	1

Part III: Extra receipts payable to the Consolidated Fund

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

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	<i>60,982</i>	-	<i>56,525</i>
Total	-	<i>60,982</i>	-	<i>56,525</i>

Forecast Combined Revenue Account

	£'000
	2007-08 provision
Net Programme Costs	
RfR1	43,036
<i>of which:</i>	
Income	
Contributions received	81,916
Transfers in	-
Other income receivable	-
	<u>81,916</u>
Expenditure	
Increase in liability	47,952
Interest on scheme liability	77,000
Other expenditure	-
	<u>124,952</u>
Non-voted	<u>63,048</u>
Total Net Programme costs	106,084
Total Net Operating Cost	106,084
<i>of which:</i>	
Net Resource Requirement	43,036
Non-voted expenditure	63,048
CFERs	-
Resource Budget	106,084

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	43,036
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	63,048
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	106,084
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	106,084
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	106,084

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

Sir Suma Chakrabarti as the Accounting Officer (AO) of the Ministry of Justice: Judicial Pensions Scheme has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Ministry of Justice: Judicial Pensions Scheme.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000 2007-08 <u>Provision</u>
RfR 1: Judicial Pensions Scheme	
Programme	81,916
<i>of which:</i>	
Pension scheme related income	81,916
CFERs	-
Total RfR 1	81,916 †
<i>† Amount that may be applied as appropriations in aid in addition to the net total, arising from: accruing superannuation liability charges (ASLCs); and Office Holders' pension contributions.</i>	
Total Operating A in A	81,916

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000
	2007-08 provision	
	Income	<i>Receipts</i>
Excess cash receipts ●	-	56,525
Total	-	56,525

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	81,916

Northern Ireland Court Service

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL End-Year Flexibility</u>		
A2	To cover an increased requirement in near-cash, programme spending due to increased workload in the Coroners Service, increased workload associated with the preparation for devolution and tax and National Insurance charge on lump sums paid on retirement to the judiciary under the 2006 Service Award Determination.	1,000,000	-
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources and transfers from resource spending to capital spending (not capital grants)</u>			
D to A	A reclassification of the Criminal Injuries Compensation Appeals Panel (CICAPNI) since the winter Supplementary Estimate. CICAPNI is no longer being treated as an NDPB in section D and is now a business unit of the Northern Ireland Court Service in Section A. This reclassification includes a transfer of £671,000 programme, near-cash resources from subhead D3 to subhead A2 and a transfer of £10,000 programme, near-cash resources from subhead D3 (capital grant) to capital spending on subhead A7 (see changes in capital detailed below). In budgetary terms, the £10,000 resources already scored in the capital budget.	671,000	-681,000
<u>Transfers to/from non-voted spending</u>			
A2	Increase in non-cash costs for the Criminal Injuries Compensation Appeals Panel (CICAPNI). CICAPNI is no longer being treated as an NDPB and is now a business unit of the Northern Ireland Court Service. In budgetary terms, the increase in voted non-cash costs is offset by reduction in non-voted resource DEL spending.	70,000	-
<u>Changes in non-budget spending</u>			
B3	Additional payment of grant in aid to the Legal Services Commission to cover legal aid pressures. In budgetary terms, this reflects a reallocation of non-cash, resource DEL budgetary cover received from the Ministry of Justice switched to near-cash.	15,000,000	-

Introduction

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

A2 and A5	Increased administration income due to an increase in fee rate and additional work income to generate more income. This is offset against a requirement for additional programme spending on the transition phase for judicial transport and additional work for the preparation of Shared Services and Devolution.	3,000,000	-3,000,000
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<u>Total</u>	19,741,000	-3,681,000
Total change in resources for RfR1		16,060,000

Total change in resources for Estimate		16,060,000
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Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Other changes

Transfers from capital grants to capital

D3 to A7	A reclassification of the CICAPNI since the winter Supplementary Estimate. CICAPNI is no longer being treated as an NDPB and is now a business unit of the Northern Ireland Court Service. Transfer of resource, near-cash programme provision from subhead D3 to subhead A7 capital spending. In budgetary terms, the £10,000 resources already scored in the capital budget.	10,000	-
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Transfers of budgetary cover to/from other government departments

A7	Decrease in capital spending. In budgetary terms, transfer of capital DEL cover to Northern Ireland Office for use of a shared asset.	-	-20,000
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<u>Total</u>	10,000	-20,000
Total change in capital for Estimate		-10,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £15,980,000.

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

Northern Ireland Court Service

Part I

£

RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	16,060,000
Total additional net resource requirement	16,060,000
Additional net cash requirement	15,980,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Northern Ireland Court Service on:

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

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

The Northern Ireland Court Service will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 1 - A	Court and other legal services	53,381	4,741	3,000	1,741	55,122
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Non-budget

RfR1 - B	Legal Services Commission	69,262	15,000	-	15,000	84,262
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RfR1 - D	Criminal Injuries Compensation Appeals Panel	681	-681	-	-681	-
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Total RfR 1		19,060	3,000	16,060	
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Total Changes to RfRs		19,060	3,000	16,060	
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£000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	6,000	-10	5,990
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Non-Operating A in A	-	-	-
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Net cash requirement	116,149	15,980	132,129
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Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland							
20,311	55,786	85,787	161,884	21,000	140,884	5,990	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Court and other legal services							
20,311	55,786	25	76,122	21,000	55,122	5,990	-
Non-budget							
B Legal Services Commission							
-	-	84,262	84,262	-	84,262	-	-
C Judicial Appointments Commission							
-	-	1,500	1,500	-	1,500	-	-
D Criminal Injuries Compensation Appeals Panel							
-	-	-	-	-	-	-	-
Total for Estimate:							
20,311	55,786	85,787	161,884	21,000	140,884	5,990	-

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	124,824	16,060	140,884
Voted capital items			
Capital	6,000	-10	5,990
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	6,000	-10	5,990
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-6,075	-8	-6,083
Depreciation	-8,600	-62	-8,662
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-14,675	-70	-14,745
Excess cash to be CFERd	-	-	-
Net Cash Requirement	116,149	15,980	132,129

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	-689
Total Net Administration Costs	-689
Net Programme Costs	
RfR1	141,573
Non-voted	5,166
Total Net Programme costs	146,739
Total Net Operating Cost	146,050
<i>of which:</i>	
Net Resource Requirement	140,884
Non-voted expenditure	5,166
Consolidated Fund Extra Receipts	-
Resource Budget	149,180

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	140,884
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	5,166
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	146,050
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	3,130
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	149,180
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	149,180
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	5,990
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	5,990
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	5,990
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

David A Lavery, Director of the NICS

David A Lavery as the Accounting Officer of the Northern Ireland Court Service has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Northern Ireland Court Service.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

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

Administration	21,000
<i>of which:</i>	
Sale of goods and services	21,000
Programme	-
<i>of which:</i>	
Sale of goods and services	-
Total RfR1	21,000 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: court fees paid by litigants in civil proceedings, fine monies arising from the payment of certain conditional offer fixed penalty notices to cover project costs incurred by the Northern Ireland Court Service and Northern Ireland Office, administration fees paid in respect of funds in court, monies recovered in respect of third party claims, recoveries from the National Insurance Fund for the costs of the Office of the Social Security and Child Support Commissioners and other fees and receipts received.

Total Operating A in A	21,000
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1,741	14,259	55,122	94,058	149,180
<i>of which: †</i>					
<i>Administration budget</i>	-3,000	-	-689	-	-689
<i>Near-cash in RDEL</i>	1,671	15,000	40,377	90,928	131,305
Capital DEL ††	-10	-10	5,990	-	5,990
Less Depreciation †††	-62	-	-8,662	-20	-8,682
Total DEL	1,669	14,249	52,450	94,038	146,488

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	21,000

Crown Prosecution Service

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
Subhead B2	Transfer of programme, near-cash DEL budgetary cover from Ministry of Justice (MoJ) from the Victims Surcharge programme.	3,000,000	-
Subhead B2	Transfer of programme, near-cash DEL budgetary cover to MoJ for CJIT from savings on the delivery of the Compass Case Management	-	-300,000
Subhead B2	Transfer of programme, near-cash DEL budgetary cover to MoJ for CJIT from savings on the delivery of the ExiSSR1 programme.	-	-355,000
Subhead B2	Transfer of programme, near-cash DEL budgetary cover to MoJ for CJS from savings on the delivery of the Progress programme.	-	-265,000
<u>Other changes</u>			
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Subhead A1 and A5	Arising from the increase in recovery of costs from private tenants in jointly occupied buildings.	1,300,000	-1,300,000
Subhead B2 and B5	Arising from the increase in income from recoveries in respect of the Recovered Assets Incentivisation Fund, costs awarded to CPS in court and refund of costs for seconded staff.	12,100,000	-12,100,000
		<u>Total</u>	
		16,400,000	-14,320,000
		Total change in resources for RfR1	
			2,080,000
		Total change in resources for Estimate	
			2,080,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £2,080,000.

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

Crown Prosecution Service

Part I

£

RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	2,080,000
Total additional net resource requirement	2,080,000
Additional net cash requirement	2,080,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Crown Prosecution Service on:

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

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

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

Part II: Changes proposed

£'000

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

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 1 - A	Administration costs on HQ and Central Services	57,303	1,300	1,300	-	57,303
RfR 1 - B	Crown Prosecutions and Legal Services	589,049	14,180	12,100	2,080	591,129
Total RfR 1			15,480	13,400	2,080	
Total Changes to RfRs			15,480	13,400	2,080	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	7,400	-	7,400
Non-Operating A in A	-	-	-
Net cash requirement	646,888	2,080	648,968

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions							
59,003	648,156	-	707,159	58,727	648,432	7,400	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Administration costs on HQ and Central Services							
59,003	-	-	59,003	1,700	57,303	-	-
B Crown Prosecutions and Legal Services							
-	648,156	-	648,156	57,027	591,129	7,400	-
Total for Estimate:							
59,003	648,156	-	707,159	58,727	648,432	7,400	-

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	646,352	2,080	648,432
Voted capital items			
Capital	7,400	-	7,400
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	7,400	-	7,400
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,647	-	-2,647
Depreciation	-5,056	-	-5,056
New provisions and adjustments to previous provisions	-745	-	-745
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-89	-	-89
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	1,673	-	1,673
Total accruals to cash adjustments	-6,864	-	-6,864
Excess cash to be CFERd	-	-	-
Net Cash Requirement	646,888	2,080	648,968

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	57,303
Total Net Administration Costs	57,303
Net Programme Costs	
RfR1	591,129
Non-voted	-
Total Net Programme costs	591,129
Total Net Operating Cost	648,432
<i>of which:</i>	
Net Resource Requirement	648,432
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	656,432

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	648,432
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	648,432
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	8,000
Other adjustments	-
Resource Budget (Budget)	656,432
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	656,432
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	7,400
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	7,400
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,400
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Ken MacDonald QC, Permanent Head of Department

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

With the agreement of HM Treasury, the Permanent Head of Department appoints the Chief Executive as Additional Accounting Officer. Peter Lewis, Chief Executive, holds the appointment of Additional Accounting Officer for the Request for Resources within this Estimate.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

In accordance with Managing Public Money requirements the relationship between the Principal Accounting Officer and the Additional Accounting Officer(s) and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

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

Administration	1,700
<i>of which:</i>	
Income from goods and services	1,700
Programme	57,027
<i>of which:</i>	
Income from goods and services and from the recovery of criminal assets	57,027
Total RfR1	58,727 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of costs from private tenants in jointly occupied buildings; recoveries in respect of the Recovered Assets Incentivisation Fund; costs awarded to CPS in court; income from Local Criminal Justice Boards; refund of costs for seconded staff; funding from the Access to Work Scheme and the New Deal programmes; receipts for Prosecution College Licences; and recoveries of costs from other government departments for joint working arrangements.

Total Operating A in A	58,727
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	2,080	8,000	648,432	8,000	656,432
<i>of which: †</i>					
<i>Administration budget</i>	-	-	57,303	-	57,303
<i>Near-cash in RDEL</i>	2,080	8,000	639,895	9,673	649,568
Capital DEL ††	-	-	7,400	-	7,400
Less Depreciation †††	-	-	-5,056	-	-5,056
Total DEL	2,080	8,000	650,776	8,000	658,776

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	58,377

Serious Fraud Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in Capital</u>			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL End Year Flexibility</u>		
Subhead A7	To cover projected capital overspend.	300,000	-
		<u>Total</u>	<u>-</u>
	Total change in capital for Estimate	300,000	300,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £300,000.

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

Serious Fraud Office

Part I

	£
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	-
Total additional net resource requirement	-
Additional net cash requirement	300,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Serious Fraud Office on:

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

Administration, investigation, prosecution and associated non-cash items.

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

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 1 - A	Administration	31,835	-	-	-	31,835
RfR1 - B	Investigations and Prosecutions	19,279	-	-	-	19,279
Total RfR 1			-	-	-	
Total Changes to RfRs			-	-	-	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	5,500	300	5,800
Non-Operating A in A	-	-	-
Net cash requirement	56,570	300	56,870

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law							
31,935	19,529	-	51,464	350	51,114	5,800	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Administration							
31,935	200	-	32,135	300	31,835	5,800	-
B Investigations and Prosecutions							
-	19,329	-	19,329	50	19,279	-	-
Total for Estimate:							
31,935	19,529	-	51,464	350	51,114	5,800	-

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	51,114	-	51,114
Voted capital items			
Capital	5,500	300	5,800
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	5,500	300	5,800
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-79	-	-79
Depreciation	-1,800	-	-1,800
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-65	-	-65
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	930	-	930
Increase(-)/decrease (+) in creditors	930	-	930
Use of provisions	40	-	40
Total accruals to cash adjustments	-44	-	-44
Excess cash to be CFERd	-	-	-
Net Cash Requirement	56,570	300	56,870

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	31,635
Total Net Administration Costs	31,635
Net Programme Costs	
RfR1	19,479
Non-voted	-
Total Net Programme costs	19,479
Total Net Operating Cost	51,114
<i>of which:</i>	
Net Resource Requirement	51,114
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	51,114

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	51,114
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	51,114
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	51,114
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	51,114
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	5,800
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	5,800
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	5,800
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Robert Wardle, Director of the Serious Fraud Office

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

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	
Administration	300
<i>of which:</i>	
Recovered Assets	300
Programme	50
<i>of which:</i>	
Regulatory licences, fines, penalties and taxes	50
Total RfR1	350 †
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income arising from costs awarded to the SFO in court; and the Recovered Assets Incentivisation Fund.</i>	
Total Operating A in A	350

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-	-	51,114	-	51,114
<i>of which: †</i>					
<i>Administration budget</i>	-	-	31,635	-	31,635
<i>Near-cash in RDEL</i>	-	-	49,170	40	49,210
Capital DEL ††	300	-	5,800	-	5,800
Less Depreciation †††	-	-	-1,800	-	-1,800
Total DEL	300	-	55,114	-	55,114

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

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

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

Cash which may be retained to offset expenditure

£'000

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

350

HM Procurator General and Treasury Solicitor

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
Section B	Take up of administration costs resource EYF (near-cash) to meet the cost of policy support to the Attorney General's office and accommodation. In budgetary terms, RDEL EYF entitlement transferred from the Revenue and Customs Prosecutions Office.	800,000	-
Section B	Take up of administration costs resource EYF (non-cash) to meet the cost of policy support to the Attorney General's office and accommodation.	150,000	-
<u>Other changes</u>			
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section A	Increase in administration spending offset by additional income from fees for legal and related services.	3,000,000	-3,000,000
		<u>Total</u>	
Total change in resources for RfR1		3,950,000	-3,000,000
Total change in resources for Estimate			950,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £800,000.

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

HM Procurator General and Treasury Solicitor

Part I

£

RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	950,000
Total additional net resource requirement	950,000
Additional net cash requirement	800,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the HM Procurator General and Treasury Solicitor on:

RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies

Expenditure by the HM Procurator General and Treasury Solicitor's Department comprising the Treasury Solicitor's Department Agency, the Attorney General's Office and HM Crown Prosecution Service Inspectorate on administration, costs and fees for legal and related services, residual matters following the closure of the Government Property Lawyers Agency and associated non-cash items.

The **HM Procurator General and Treasury Solicitor** will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR1 - A	TSD Administration	2,827	3,000	3,000	-	2,827
RfR1 - B	AGO Administration	5,971	950	-	950	6,921
	Total RfR 1		3,950	3,000	950	
	Total Changes to RfRs		3,950	3,000	950	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	4,000	-	4,000
Non-Operating A in A	-	-	-
Net cash requirement	17,354	800	18,154

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 comprehensive and competitive legal services to government departments and publicly funded bodies							
77,349	34,697	-	112,046	95,630	16,416	4,000	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A TSD Administration							
66,457	-	-	66,457	63,630	2,827	3,900	-
B AGO Administration							
6,921	-	-	6,921	-	6,921	100	-
C Operational costs							
-	34,697	-	34,697	32,000	2,697	-	-
D CPSI Administration							
3,971	-	-	3,971	-	3,971	-	-
Total for Estimate:							
77,349	34,697	-	112,046	95,630	16,416	4,000	-

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	15,466	950	16,416
Voted capital items			
Capital	4,000	-	4,000
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	4,000	-	4,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-353	-30	-383
Depreciation	-2,409	-120	-2,529
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	300	-	300
Increase(+)/decrease (-) in debtors	100	-	100
Increase(-)/decrease (+) in creditors	250	-	250
Use of provisions	-	-	-
Total accruals to cash adjustments	-2,112	-150	-2,262
Excess cash to be CFERd	-	-	-
Net Cash Requirement	17,354	800	18,154

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	13,719
Total Net Administration Costs	13,719
Net Programme Costs	
RfR1	2,697
Non-voted	-
Total Net Programme costs	2,697
Total Net Operating Cost	16,416
<i>of which:</i>	
Net Resource Requirement	16,416
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	17,616

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	16,416
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	16,416
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	1,200
Other adjustments	-
Resource Budget (Budget)	17,616
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	17,616
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	4,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	4,000
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,000
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Paul Jenkins
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Paul Jenkins as the Accounting Officer of the HM Procurator General and Treasury Solicitor has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the HM Procurator General and Treasury Solicitor.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies

Administration	63,630
<i>of which:</i>	
Sale of goods and services	63,630
Programme	32,000
<i>of which:</i>	
Sale of goods and services	32,000
Total RfR1	95,630 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: recovery of costs from other government departments including costs recovered through legal and administrative services provided, charges for Bona Vacantia work, recovery of costs for tenants in jointly occupied buildings, utilisation of provisions, income in relation to GLS operations, subscription charges, photocopying charges and European fast streamers.

Total Operating A in A	95,630
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	950	1,200	16,416	1,200	17,616
<i>of which: †</i>					
<i>Administration budget</i>	950	-	13,719	-	13,719
<i>Near-cash in RDEL</i>	800	-	13,504	-	13,504
Capital DEL ††	-	-	4,000	-	4,000
Less Depreciation †††	-120	-	-2,529	-	-2,529
Total DEL	830	1,200	17,887	1,200	19,087

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	95,630

Revenue and Customs Prosecutions Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL End-Year Flexibility</u>		
Section A	Additional administration, near-cash spending to fund increased activity on Asset Recovery.	2,400,000	-
Section A	Additional administration, non-cash spending to depreciate refurbishment and IT establishment costs.	600,000	-
<u>Transfers of budgetary cover to/from other government departments</u>			
Section A	Reduction in administration, near-cash spending to facilitate a reallocation of resource DEL to the Treasury Solicitor's Department to fund administration of the Attorney General's Office. The transfer of budgetary cover was announced and taken up by the Treasury Solicitor's Department in the winter round. The reduction in resources in this Supplementary Estimate reflects this previously stated underspend.	-	-317,000
<u>Changes in operating appropriations-in-aid (not offset by changes in spending)</u>			
Section A	Increase in forecast receipts (programme) not fully offset by spending. Reduction in programme spending used to fund additional administration spending.	1,642,000	-2,142,000
<u>Other changes</u>			
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section A	Increase in forecast receipts (administration)	1,349,000	-1,349,000
		<u>Total</u>	<u>5,991,000</u>
Total change in resources for RfR1			2,183,000
Total change in resources for Estimate			2,183,000

Introduction (*continued*)

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL End Year Flexibility</u>		
Section A	Take up of capital EYF to cover the establishment costs for the RCPO IT project (majority of refurbishment costs are to be capitalised).	800,000	-
	<u>Transfers of budgetary cover to/from other government departments</u>		
Section A	Increase to cover establishment costs for the RCPO IT project (majority of refurbishment costs are to be capitalised) funded in budgetary terms by a reallocation of capital DEL from Treasury Solicitor's Department.	1,000,000	-
		<u>Total</u>	<u>-</u>
	Total change in capital for Estimate	1,800,000	1,800,000

- As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £3,383,000.
- Symbols are explained in the Introduction to this booklet.

Revenue and Customs Prosecutions Office

Part I

£

RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors	2,183,000
Total additional net resource requirement	2,183,000
Additional net cash requirement	3,383,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Revenue and Customs Prosecutions Office on:

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

Administration and legal costs of prosecuting cases by the Revenue and Customs Prosecutions Office and associated non-cash items.

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

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 1 - A Administration	36,726	5,674	3,491	2,183	38,909
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Total RfR 1		5,674	3,491	2,183	
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Total Changes to RfRs		5,674	3,491	2,183	
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	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	-	1,800	1,800
Non-Operating A in A	-	-	-
Net cash requirement	36,726	3,383	40,109

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors								
22,286	20,173	-	42,459	3,550	38,909	1,800	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
22,286	20,173	-	42,459	3,550	38,909	1,800	-	
Total for Estimate:								
22,286	20,173	-	42,459	3,550	38,909	1,800	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	36,726	2,183	38,909
Voted capital items			
Capital	-	1,800	1,800
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	-	1,800	1,800
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-600	-600
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-	-600	-600
Excess cash to be CFERd	-	-	-
Net Cash Requirement	36,726	3,383	40,109

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	20,936
Total Net Administration Costs	20,936
Net Programme Costs	
RfR1	17,973
Non-voted	-
Total Net Programme costs	17,973
Total Net Operating Cost	38,909
<i>of which:</i>	
Net Resource Requirement	38,909
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	38,909

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	38,909
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	38,909
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	38,909
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	38,909
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	1,800
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	1,800
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,800
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

David Green, QC

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

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

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

Administration	1,350
<i>of which:</i>	
Recovery of assets under provisions of the Incentivisation Scheme.	1,350
Programme	2,200
<i>of which:</i>	
Recovery of court costs	200
Recovery of assets under provisions of the Incentivisation Scheme.	2,000
Total RfR1	3,550 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: administration income from the recovery of court costs; for providing additional defence papers, administration of counsel fees to third parties; providing legal training; from the recovery of assets under provisions of the Incentivisation Scheme.

Total Operating A in A	3,550
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	2,183	-	38,909	-	38,909
<i>of which: †</i>					
<i>Administration budget</i>	2,683	-	20,936	-	20,936
<i>Near-cash in RDEL</i>	1,583	-	38,309	-	38,309
Capital DEL ††	1,800	-	1,800	-	1,800
Less Depreciation †††	-600	-	-600	-	-600
Total DEL	3,383	-	40,109	-	40,109

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	3,550

Ministry of Defence

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in Resources</u>			
RfR 1: Provision of Defence Capability			
<u>Section</u>	<u>Reason for Change</u>		
Changes related to movements in budgets			
<u>Take up of DEL End-Year Flexibility</u>			
A2,B2,D2, E2,G2,H2, I2I,J2,V2	1. To take up MoD End Year Indirect Resource Flexibility (Sections A,B,D,E,G,H,I,J and V) to reflect TLB forecasts of outturn.	1,621,874,000	
<u>Take up of Departmental Unallocated Provision (DUP)</u>			
I2	1. To draw down the Department's Unallocated Resource Provision (DUP) by transferring Non-Voted depreciation and provisions into Voted DEL to meet Top Level Budget forecasts of Indirect Resource Expenditure (Section I).	200,000,000	
<u>Resource transfers to/from another Request for Resource</u>			
I2	1. To effect a transfer of budgetary cover from RfR1 Indirect Resource to RfR 2 to cover depreciation and cost of capital charges associated with fixed assets purchased under Urgent Operational Requirement arrangements in Iraq and Afghanistan (Sections I and RfR2B).		-424,000,000
<u>Transfers of Budgetary cover to/from other Government Departments</u>			
I2	1. To effect a resource transfer out to the Department for Business, Enterprise and Regulatory Reform (BERR) being the MoD's contribution to BERR's annual operating costs relating to the transfer of nuclear liabilities 2006/07.		-750,000
<u>Other increases: Annually Managed Expenditure (AME)</u>			
W2	1. Additional AME cover to reflect Defence Estates forecast of the impact of the 06/07 MoD estate revaluation exercise (Section W).	50,000,000	
<u>Other Changes</u>			
<u>Resource transfers within the Request for Resources</u>			
A5,B5,D5, E5,G5,H5, I5,J5,V5	1.To increase operating Appropriations in Aid by £257,577,000 to reflect current TLB forecasts of outturn offset by corresponding changes to gross Resource spending.		

A2,B2,
A3,B3 2. To recognise Grant in Aid payments to the Marine Society and Sea Cadets of £8,255,000 and to the Council of Reserve Forces and Cadets Association of £53,497,000 by reducing other current Resources and increasing grants within the Resource DEL with no overall change.

A2,B2,D2,
E2,G2,H2,
I2,J2,V2 3. To revise sub-head provisions to reflect revisions in allocations between Top Level Budget Holders to match required Defence outputs, with no overall impact on Resource DEL.

Total	1,871,874,000	-424,750,000
Total change in resources for RfR1		1,447,124,000

RfR 2: Operations and Peace Keeping

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Special Reserve claims</u>			
B2,B5	1. To increase the net Direct Resource costs of peace-keeping in Iraq (£275,000,000) and Afghanistan (£291,000,000).	566,000,000	
<u>Resource transfers within the Request for Resources</u>			
B2	1. To effect a transfer of budgetary cover from RfR1 Indirect Resource to cover depreciation and cost of capital charges associated with fixed assets purchased under Urgent Operational Requirement arrangements in Iraq (£199,000,000) and and Afghanistan (£225,000,000).	424,000,000	
<u>Transfers of Budgetary cover to/from other Government Departments</u>			
A2, B2	1. To effect transfers in from the Foreign & Commonwealth Office in respect of the Balkans Conflict Prevention Pool net costs of £31,000,000; and for the Global Rest of the World Conflict Prevention Pool costs of £1,500,000.	32,500,000	
		Total	1,022,500,000
		Total Change in Resources for RfR2	1,022,500,000

RfR3: War Pensions and Allowances, etc

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>changes in Annually Managed Expenditure (AME)</u>			
A3	1. To increase War Pensions Benefits costs to cover forecasted additional War Pensions Benefits expenditure.	3,000,000	
		Total	3,000,000
		Total change in resources for RfR3	3,000,000
		Total change in resources for Estimate	2,472,624,000

Changes in Capital**RfR 1: Provision of Defence Capability**

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Changes related to movements in budgetsTake up of End Year Flexibility

G7	1. To take up 2006/07 Capital End Year Flexibility relating to the Department's sale of QinetiQ as agreed with Treasury.	40,000,000	
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A7,B7,D7, E7,G7,H7,I 7, J7,V7	2. To revise sub-head provisions to reflect revisions in allocations between Top Level Budget Holders to match required Defence outputs, with no overall impact on Capital DEL.		
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Other changesChanges in Annually Managed Expenditure (AME)

W8	1. To recognise the Chelsea Barracks sale accounting treatment of the proceeds(receipt) of £959M, which will be paid to the MoD in agreed stages (Section W).		-709,000,000
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Resource transfers within the Request for Resources

B8,H8,I8, L8,N8	1. To increase Non-operating Appropriations in Aid by £130,646,000 (sections B,H,I, L and N) to reflect current TLB forecasts of outturn, offset by corresponding changes to gross Capital Spending.		
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RfR 2: Operations and Peace Keeping

<u>Section</u>	<u>Reason for change</u>		
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Changes related to movements in budgetsSpecial Reserve claims

B7	1. To increase the RfR to reflect the capital costs of peace keeping in Iraq (£219,000,000) and Afghanistan (£161,650,000).	380,650,000	
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Transfers of Budgetary cover in from/to other Government Departments

B7	1. To effect a Capital transfer in from the Foreign and Commonwealth Office in respect of their contribution to the Command and Communications flight UOR to Afghanistan.	7,350,000	
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	<u>Total</u>	428,000,000	-709,000,000
Total change in Capital for Estimate			-281,000,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £894,351,000.

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

Ministry of Defence

Part I

	£
RfR 1: Provision of Defence Capability	1,447,124,000
RfR 2: Operations and Peace Keeping	1,022,500,000
RfR3: War Pensions and Allowances, etc	3,000,000
Total additional net resource requirement	2,472,624,000
Additional net cash requirement	894,351,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Ministry of Defence on:

RfR 1: Provision of Defence Capability

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

RfR 2: Operations and Peace Keeping

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

RfR3: War Pensions and Allowances, etc

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

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

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Provision of Defence Capability					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Fleet	2,201,645	17,619	14,282	3,337	2,204,982
RfR 1 - B Commander-in-Chief Land Command	5,870,411	-253,645	-113,134	-140,511	5,729,900
RfR 1 - D Chief of Joint Operations	411,072	-29,732	5,584	-35,316	375,756
RfR 1 - E Adjutant General	681,959	114,466	5,020	109,446	791,405
RfR 1 - G Central	2,270,569	67,736	45,419	22,317	2,292,886
RfR 1 - H Defence Estates	2,600,550	244,363	254,694	-10,331	2,590,219
RfR 1 - I Defence Equipment and Support	15,796,933	1,573,419	71,675	1,501,744	17,298,677
RfR 1 - J Science Innovation Technology	540,273	4,036	-	4,036	544,309
RfR 1 - V Commander in Chief Air Command	2,704,829	-83,561	-25,963	-57,598	2,647,231
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 1 - W Defence Estates	-	50,000	-	50,000	50,000
Total RfR 1		1,704,701	257,577	1,447,124	
RfR 2: Operations and Peace Keeping					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 2 - B Programme Rest of the World	1,330,240	1,046,534	24,034	1,022,500	2,352,740
Total RfR 2		1,046,534	24,034	1,022,500	
RfR3: War Pensions and Allowances, etc					
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 3 - A War Pensions Benefits Programme costs	1,026,507	3,000	-	3,000	1,029,507
Total RfR 3		3,000	-	3,000	
Total Changes to RfRs		2,754,235	281,611	2,472,624	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	8,097,884	558,646	8,656,530
Non-Operating A in A	404,354	839,646	1,244,000
Net cash requirement	33,835,747	894,351	34,730,098

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Provision of Defence Capability								
-	35,820,198	285,066	36,105,264	1,475,504	34,629,760	7,664,530	1,244,000	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Fleet								
-	2,244,941	10,041	2,254,982	50,000	2,204,982	3,533	-	
B Commander-in-Chief Land Command								
-	5,815,160	53,740	5,868,900	139,000	5,729,900	156,467	-	
C Commander-in-Chief Strike Command								
-	-	-	-	-	-	-	-	
D Chief of Joint Operations								
-	405,756	-	405,756	30,000	375,756	38,316	-	
E Adjutant General								
-	805,618	3,787	809,405	18,000	791,405	-11,827	-	
F Personnel and Training Command								
-	-	-	-	-	-	-	-	
G Central								
-	2,454,012	190,874	2,644,886	352,000	2,292,886	54,398	250	
H Defence Estates								
-	3,023,219	-	3,023,219	433,000	2,590,219	411,500	453,000	
I Defence Equipment and Support								
-	17,597,652	1,025	17,598,677	300,000	17,298,677	7,009,164	30,821	
J Science Innovation Technology								
-	540,208	4,101	544,309	-	544,309	84	-	
K Loans and grants to and repayments from the Hydrographic Office								
-	-	-	-	-	-	-	421	
L Loans and grants to and repayments from DARA								
-	-	-	-	-	-	-	65,812	
M Loans and grants to and repayments from ABRO								
-	-	-	-	-	-	-	2,154	
N Loans and grants to and repayments from Met Office								
-	-	-	-	-	-	-	-17,458	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
O Chief of Joint Operations								
-	3,599	-	3,599	-	3,599	-	-	
P Central								
-	-12	8,411	8,399	4,500	3,899	-	-	
Q Defence Equipment and Support								
-	83,696	-	83,696	-	83,696	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
Non-Budget							
R	Adjutant General						
-	-	9,314	9,314	-	9,314	-	-
S	Central						
-	-	750	750	-	750	-	-
T	Defence Equipment and Support						
-	-	-	-	4	-4	-	-
U	Defence Estates						
-	3,141	-	3,141	-	3,141	1,904	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
V	Commander in Chief Air Command						
-	2,793,208	3,023	2,796,231	149,000	2,647,231	991	-
Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
W	Defence Estates						
-	50,000	-	50,000	-	50,000	-	709,000
RfR 2: Operations and Peace Keeping							
-	2,405,837	-	2,405,837	24,034	2,381,803	992,000	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Programme Sub-Saharan Africa						
-	29,063	-	29,063	-	29,063	-	-
B	Programme Rest of the World						
-	2,376,774	-	2,376,774	24,034	2,352,740	992,000	-
RfR3: War Pensions and Allowances, etc							
-	-575	1,030,582	1,030,007	-	1,030,007	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
A	War Pensions Benefits Programme costs						
-	-575	1,030,082	1,029,507	-	1,029,507	-	-
B	War Pensions Benefits Programme costs - Far Eastern Prisoners of War						
-	-	500	500	-	500	-	-
Total for Estimate:							
-	38,225,460	1,315,648	39,541,108	1,499,538	38,041,570	8,656,530	1,244,000

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	35,568,946	2,472,624	38,041,570
Voted capital items			
Capital	8,097,884	558,646	8,656,530
<i>Less:</i> Non-operating A in A	<u>404,354</u>	<u>839,646</u>	<u>1,244,000</u>
Total net voted capital	7,693,530	-281,000	7,412,530
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,465,193	-47,000	-3,512,193
Depreciation	-6,621,537	-1,649,874	-8,271,411
New provisions and adjustments to previous provisions	-392,370	-175,399	-567,769
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-474,518	-	-474,518
Increase(+)/decrease (-) in debtors	474,947	575,000	1,049,947
Increase(-)/decrease (+) in creditors	552,798	-	552,798
Use of provisions	499,144	-	<u>499,144</u>
Total accruals to cash adjustments	-9,426,729	-1,297,273	-10,724,002
Excess cash to be CFERd	-	-	-
Net Cash Requirement	33,835,747	894,351	34,730,098

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Programme Costs	
RfR1	34,629,760
RfR2	2,381,803
RfR3	1,030,007
Non-voted expenditure	-
Total Net Programme costs	38,041,570
Total Net Operating Cost	38,041,570
<i>of which:</i>	
Net Resource Requirement	38,041,570
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	38,052,723

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	38,041,570
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	38,041,570
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-3,887
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
Resource consumption of non-departmental public bodies	15,040
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	38,052,723
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	36,940,256
Annually Managed Expenditure (AME)	1,112,467

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	7,412,530
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	744
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-1,904
Capital Budget (Budget)	7,411,370
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	8,120,370
Annually Managed Expenditure (AME)	-709,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Sir Bill Jeffrey, Permanent Head of the Department
Request for Resources 2	Sir Bill Jeffrey, Permanent Head of the Department
Request for Resources 3	Sir Bill Jeffrey, Permanent Head of the Department

Sir Bill Jeffrey as the Accounting Officer (AO) of the Ministry of Defence has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Ministry of Defence.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08
Provision

RfR 1: Provision of Defence Capability

Programme	1,475,504
<i>of which:</i>	
Sale of goods and services	1,441,626
EU income	4
Interest and dividends	33,874

Total RfR1	1,475,504 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total, arising from: the recovery of income from fees and income charges.

RfR 2: Operations and Peace Keeping

Programme	24,034
<i>of which:</i>	
Sale of goods and services	24,034

Total RfR2	24,034 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total, arising from: the recovery of income from fees and income charges.

Total Operating A in A	1,499,538
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Analysis of non - operating appropriations in aid (A in A)

2007-08
Provision

RfR 1: Provision of Defence Capability

Programme	1,244,000
<i>of which:</i>	
Sale of assets	1,193,071
Loan etc., repayments	50,929

Total RfR1	1,244,000 †
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† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of fixed assets, including land and buildings and repayment of loans from the Trading Funds.

Total Non - operating A in A	1,244,000
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	2,419,624	-200,000	36,857,168	83,088	36,940,256
<i>of which: †</i>					
Administration budget †	-	-	-	-	-
Near-cash in RDEL	597,750	30,989	24,417,425	511,932	24,929,357
Capital ††	428,000	-	8,119,626	744	8,120,370
Less Depreciation †††	-1,599,874	200,000	-8,218,325	-	-8,218,325
Total	1,247,750	-	36,758,469	83,832	36,842,301

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	2,034,538

Armed Forces retired pay, pensions etc

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Armed Forces retired pay, pensions etc			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes in AME forecasting</u>			
A3	Increase in grants to reflect the latest forecast of outturn.	488,429,000	-
A5	Decrease in appropriations in aid to reflect the latest forecast of outturn.	11,571,000	-
		<u>Total</u>	-
	Total change in resources for RfR1	500,000,000	500,000,000
	Total change in resources for Estimate		500,000,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £150,000,000.

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

Armed Forces retired pay, pensions etc

Part I

£

RfR 1: Armed Forces retired pay, pensions etc	500,000,000
Total additional net resource requirement	500,000,000
Additional net cash requirement	150,000,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Armed Forces retired pay, pensions etc on:

RfR 1: Armed Forces retired pay, pensions etc

Payment of retired pay, pensions and lump sums benefits and associated non-cash items to persons covered by the scheme.

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

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Armed Forces retired pay, pensions etc					
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 1 - A Retired pay, pensions and other payments to service personnel and their dependants	5,095,638	488,429	-11,571	500,000	5,595,638
Total RfR 1		488,429	-11,571	500,000	
Total Changes to RfRs		488,429	-11,571	500,000	

	Present Provision	Change in Provision	£'000 New Provision
Capital and Cash			
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	1,689,057	150,000	1,839,057

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Armed Forces retired pay, pensions etc							
-	-	7,054,317	7,054,317	1,458,679	5,595,638	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
A Retired pay, pensions and other payments to service personnel and their dependants							
-	-	7,054,317	7,054,317	1,458,679	5,595,638	-	-
Total for Estimate:							
-	-	7,054,317	7,054,317	1,458,679	5,595,638	-	-

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	5,095,638	500,000	5,595,638
Voted capital items			
Capital	-	-	-
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-6,541,865	-350,000	-6,891,865
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	90	-	90
Increase(-)/decrease (+) in creditors	-5,310	-	-5,310
Use of provisions	3,140,504	-	3,140,504
Total accruals to cash adjustments	-3,406,581	-350,000	-3,756,581
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,689,057	150,000	1,839,057

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Combined Revenue Account

	£'000
	2007-08 provision
Net Programme Costs	5,595,638
RfR1	
<i>of which:</i>	
Income	
Contributions received	1,457,647
Transfers in	1,030
Other income	2
TOTAL INCOME	1,458,679
Expenditure	
RfR1	
Increase in liability	2,220,799
Interest on scheme liability	4,722,518
Other expenditure	111,000
TOTAL EXPENDITURE	7,054,317
Total Net Programme costs	5,595,638
Total Net Operating Cost	5,595,638
<i>of which:</i>	
Net Resource Requirement	5,595,638
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	5,595,638

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	5,595,638
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	5,595,638
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	5,595,638
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	5,595,638

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Sir Bill Jeffrey, Permanent Head of the Department

Sir Bill Jeffrey as the Accounting Officer (AO) of the Armed Forces retired pay, pensions etc. has personal responsibility for the proper presentation of the scheme's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Armed Forces retired pay, pensions etc.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

 2007-08
 Provision

RfR 1: Armed Forces retired pay, pensions etc

Programme	1,458,679
<i>of which:</i>	
Pension scheme related income	1,458,679
Total RfR1	1,458,679 †

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

Total Operating A in A	1,458,679
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Notes to the Estimate (*continued*)**Cash which may be retained to offset expenditure**

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	1,458,679

Foreign and Commonwealth Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Promoting intentionally the interests of the UK and contributing to a strong world community			
<u>Section</u>	<u>Reason for change</u>		
Changes related to movements in budgets			
<u>Take up of DEL End-Year Flexibility</u>			
A2	Take-up of programme End Year Flexibility for capital transfer to MoD.	7,350,000	
<u>DEL Reserve claims</u>			
A2	Consular premiums collected in the UK	16,500,000	
A2	Emergency Disaster Relief Fund	151,000	
A3	FCO/HMT 50/50 International Organisations cost sharing agreement	18,453,000	
C2	Increased grant to the British Council from the Overseas Pricing Mechanism	1,359,000	
<u>Transfers of budgetary cover to other government departments</u>			
A2	Transfer of programme expenditure to the Security and Intelligence Agencies for expansion and capability		-5,000,000
A2	Transfer of programme expenditure to Home Office for the Border and Immigration Agency		-5,363,000
A2	Transfer of programme expenditure to Home Office for the Border and Immigration Agency to fund assisted voluntary returns		-1,750,000
A2	Transfer of programme expenditure to the Security and Intelligence Agencies for expansion and capability		-100,000
A1 and A2	Payment to the Reserve of £9,424,000 Administration costs and £5,568,000 programme grants for the Overseas Pricing Mechanism		-14,992,000
<u>Other changes</u>			
<u>Take up of Departmental Unallocated Provision</u>			
A3	Take up of Departmental Unallocated Provision	5,000,000	
<u>Resource transfers to/from another Request for Resources</u>			
A3	Transfer from RfR2 to fund Afghan Delivery Plan	8,500,000	
<u>Resource transfers within the Request for Resources</u>			
A2	Transfer of programme EYF expenditure to capital for operations in Afghanistan		-7,350,000
D3	Transfers from section A2 for BBC World Service in respect of Farsi TV	7,000,000	
A2	Transfers to section D3 for BBC World Service in respect of Farsi TV		-7,000,000

	<u>Changes in operating appropriations in aid,(fully offset by changes in spending)</u>		
A2, A5	Increased expenditure of £20,000,000, fully offset by income, for consular and visa work		
	<u>Transfers from capital to capital grants</u>		
D3	Transfers from capital to capital grants for BBC World Service in respect of Farsi TV	2,000,000	
		<u>Total</u>	<u>66,313,000</u>
	Total change in resources for RfR1		-41,555,000
			24,758,000

RfR 2: Conflict prevention

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
	Changes related to movements in budgets		
	<u>Take up of DEL End-Year Flexibility</u>		
B3	Take-up of Global Conflict Prevention Pool End Year Flexibility	6,850,000	
	<u>DEL Reserve claims</u>		
C3	Drawdown of remaining peacekeeping funds for Africa	95,845,000	
D3	Drawdown of remaining peacekeeping funds for rest of the World	61,603,000	
	<u>Transfers of budgetary cover to/from other government departments</u>		
B3	Transfer of programme expenditure from DfID for Sri Lanka	1,500,000	
A3	Transfer of programme expenditure from DfID for conflict prevention in Africa	3,413,000	
	<u>Transfers of budgetary cover to/from other government departments</u>		
B3	Transfer of programme expenditure to the Security and Intelligence Agencies for expansion and capability		-2,200,000
B3	Transfer of programme expenditure to DfID for planned Global Conflict Prevention Activity		-9,660,000
B3	Transfer of programme expenditure to MoD for planned Global Conflict Prevention Activity		-1,500,000
A3	Transfer of programme expenditure to the Security and Intelligence Agencies for expansion and capability		-50,000
D3	Transfer of programme expenditure to MoD for operations in the Balkans		-31,000,000
	<u>Resource transfers to/from another Request for Resources</u>		
D3	Transfer to RfR1 to fund Afghan Delivery Plan		-8,500,000
	<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>		
B3, B5	Increased expenditure of £2,500,000, fully offset by income from MoD, for Better Basra		
B3, B5	Increased expenditure of £2,500,000, fully offset by income from DfID, for Better Basra		
		<u>Total</u>	<u>169,211,000</u>
	Total change in resources for RfR2		-52,910,000
			116,301,000
	Total change in resources for Estimate		141,059,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of End Year Flexibility</u>			
A7	Take up of capital EYF in respect of the FCO Estate	31,300,000	
<u>DEL Reserve claims</u>			
A7	FCO/HMT 50/50 International Organisations cost sharing agreement	7,400,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A7	Transfer of capital expenditure from the Border and Immigration Agency for biometric passport equipment	22,396,000	
A7	Transfer of capital expenditure to MoD for operations in Afghanistan		-7,350,000
A7	Payment to the Reserve of £282,000 for the Overseas Pricing Mechanism		-282,000
<u>Other changes</u>			
<u>Transfers from capital grants to capital</u>			
A7	Transfers to capital grants for BBC World Service in respect of Farsi TV		-2,000,000
<u>Resource transfers within the Request for Resources</u>			
A7	Transfer of programme EYF expenditure to capital for operations in Afghanistan	7,350,000	
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A7, A8	Increased expenditure of £5,300,000, fully offset by income		
		<u>Total</u>	<u>-9,632,000</u>
Total change in capital for Estimate		68,446,000	58,814,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £214,873,000.

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

Foreign and Commonwealth Office

Part I

£

RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	24,758,000
RfR 2: Conflict prevention	116,301,000
Total additional net resource requirement	141,059,000
Additional net cash requirement	214,873,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Foreign and Commonwealth Office on:

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

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

RfR 2: Conflict prevention

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

The **Foreign and Commonwealth Office** will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000	
					New Net Provision	
RfR 1: Promoting intenationally the interests of the UK and contributing to a strong world community						
Spending in Departmental Expenditure Limits (DEL)						
RfR 1 - A	Administration, programmes and international organisations subscriptions	1,171,684	34,399	20,000	14,399	1,186,083
RfR 1 - B	BBC World Service broadcasting	215,043	7,000	-	7,000	222,043
RfR 1 - C	British Council	185,003	1,359	-	1,359	186,362
RfR 1 - D	BBC World Service - Capital Grant	31,000	2,000	-	2,000	33,000
Total RfR 1			44,758	20,000	24,758	
RfR 2: Conflict prevention						
Spending in Departmental Expenditure Limits (DEL)						
RfR 2 - A	Sub-Saharan Africa - Programme expenditure	4,510	3,363	-	3,363	7,873
RfR 2 - B	Global - Programme expenditure	50,241	-10	5,000	-5,010	45,231
RfR 2 - C	Sub-Saharan Africa - Peacekeeping	100,141	95,845	-	95,845	195,986
RfR 2 - D	Global - Peacekeeping	101,269	22,103	-	22,103	123,372
Total RfR 2			121,301	5,000	116,301	
Total Changes to RfRs			166,059	25,000	141,059	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	137,526	64,114	201,640
Non-Operating A in A	10,000	5,300	15,300
Net cash requirement	1,855,498	214,873	2,070,371

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Promoting intentionally the interests of the UK and contributing to a strong world community								
962,597	931,034	274,009	2,167,640	464,352	1,703,288	201,640	15,300	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration, programmes and international organisations subscriptions								
962,597	472,629	215,209	1,650,435	464,352	1,186,083	201,640	15,300	
B BBC World Service broadcasting								
-	222,043	-	222,043	-	222,043	-	-	
C British Council								
-	186,362	-	186,362	-	186,362	-	-	
D BBC World Service - Capital Grant								
-	-	33,000	33,000	-	33,000	-	-	
E British Council - Capital Grant								
-	-	7,800	7,800	-	7,800	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
F Administration, programmes and international organisations subscriptions								
-	50,000	-	50,000	-	50,000	-	-	
Non-Budget								
G Reimbursement of certain duties, taxes and licence fees								
-	-	18,000	18,000	-	18,000	-	-	
RfR 2: Conflict prevention								
-	-	377,462	377,462	5,000	372,462	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Sub-Saharan Africa - Programme expenditure								
-	-	7,873	7,873	-	7,873	-	-	
B Global - Programme expenditure								
-	-	50,231	50,231	5,000	45,231	-	-	
C Sub-Saharan Africa - Peacekeeping								
-	-	195,986	195,986	-	195,986	-	-	
D Global - Peacekeeping								
-	-	123,372	123,372	-	123,372	-	-	
Total for Estimate:								
962,597	931,034	651,471	2,545,102	469,352	2,075,750	201,640	15,300	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	1,934,691	141,059	2,075,750
Voted capital items			
Capital	137,526	64,114	201,640
<i>Less:</i> Non-operating A in A	10,000	5,300	15,300
Total net voted capital	127,526	58,814	186,340
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-39,835	-25,165	-65,000
Depreciation	-166,624	40,165	-126,459
New provisions and adjustments to previous provisions	-	-15,000	-15,000
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-260	-	-260
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	15,000	15,000
Total accruals to cash adjustments	-206,719	15,000	-191,719
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,855,498	214,873	2,070,371

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	860,636
RfR2	-
Total Net Administration Costs	860,636
Net Programme Costs	
RfR1	840,252
RfR2	372,462
Non-voted expenditure	5,861
Total Net Programme costs	1,218,575
Total Net Operating Cost	2,079,211
<i>of which:</i>	
Net Resource Requirement	2,075,750
Non-voted expenditure	5,862
Consolidated Fund Extra Receipts	-2,401
Resource Budget	2,006,385

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	2,075,750
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	5,862
Consolidated Fund extra receipts in the OCS	-2,401
Other adjustments	-
Net Operating Costs (Accounts)	2,079,211
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-57,227
European Union income related to capital grants	-
voted expenditure outside the budget	-18,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,401
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	2,006,385
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,956,385
Annually Managed Expenditure (AME)	50,000

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	186,340
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	57,227
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	243,567
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	243,567
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Peter Ricketts, Permanent Head of the Department

Request for Resources 2 Peter Ricketts, Permanent Head of the Department

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

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Promoting intenationally the interests of the UK and contributing to a strong world community	
Administration	101,961
<i>of which:</i>	
Sale of goods and services	101,961
Programme	362,391
<i>of which:</i>	
Sale of goods and services	364,544
DFID payments to the Commonwealth Foundation	247
CFERs	-2,400
Other income (including receipts)	-
Total RfR1	464,352 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: salary refunds of seconded diplomatic staff and locally engaged staff; the sale of information material, income from sub-letting and receipts from sales of surplus material and equipment; receipts at home and overseas for legalisation fees, telephone and postage recoveries, medical scheme recoveries, bank interest and other sundry receipts, repayment by locally engaged staff of loans for car purchase and medical and other assistance, receipts from Government Departments, receipts for visa, passport and other services provided at consular offices; Wilton Park executive agency receipts for related running costs from other customers and receipts from sales and rents, Hospitality Section, Conference and visits Group and Lancaster House receipts for related running costs from other customers, repayment of sums advanced to distressed British Nationals; repayments of defence assistance loans to Singapore and Malaysia, receipts from Sales into Wider Markets.

RfR 2: Conflict prevention	
Programme	5,000
<i>of which:</i>	
Sale of goods and services	5,000
Total RfR2	5,000 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: payment from other government departments for Global conflict prevention activity arising from the Better Basra programme.

Total Operating A in A	469,352
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Analysis of non - operating appropriations in aid (A in A)

Administration	-
<i>of which:</i>	
Sale of assets	-
Programme	15,300
<i>of which:</i>	
Sale of assets	15,300
Total RfR1	15,300 †

† Amount that may be applied as non-operating appropriations in aid in addition to the net total arising from: the sale of land and buildings, receipts from the sale of official vehicles and receipts realised by the British Council.

Total Non - operating A in A	15,300
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	139,059	-5,000	1,950,523	5,862	1,956,385
<i>of which:</i>					
Administration budget †	-9,424	-	860,636	-	860,636
Near-cash in RDEL	154,059	-5,000	1,808,804	5,862	1,814,666
Capital DEL ††	60,814	-	243,567	-	243,567
Less Depreciation †††	-	-	-76,459	-	-76,459
Total	199,873	-5,000	2,117,631	5,862	2,123,493

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

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

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

Cash which may be retained to offset expenditure

£'000
479,652

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

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body		£ '000
RfR1- B	BBC World Service Broadcasting	◆	222,043
RfR1 - C	British Council	◆	186,362
RfR1- A	Westminster Foundation for Democracy	◆	4,100

International subscriptions

RfR/Section	Body		£ '000
RfR1	UN Regular Budget		69,617
RfR1	Commonwealth Secretariat		4,180
RfR1	OECD		12,877
RfR1	Western European Union		1,645
RfR1	North Atlantic Treaty Organisation (NATO)		17,399
RfR1	Council of Europe		19,408
RfR1	OSCE		3,297

Department for International Development

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Eliminating poverty in poorer countries			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
D	Allocated to budgets voted in section D.	31,860,000	
G	Allocated to administration budgets voted in section G.	10,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
B	Transfer of funds to the Foreign & Commonwealth Office Global Conflict Prevention Pool for projects in Sri Lanka.		-1,500,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
J	Increased provision for cost of capital charges for Self Financed Public Corporations.	14,035,000	
K	Increased provision for possible new bond issues for the International Finance Facility for Immunisation.	9,999,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
G	Transfer administration costs to RfR 2, section C, Post Conflict Reconstruction.		-700,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
G	Increase in expected Administration income, fully offset by increase in spending in section G.	761,000	-761,000
		<u>Total</u>	
Total change in resources for RfR1		56,665,000	-2,961,000
			53,704,000

RfR 2: Conflict Prevention

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
A	Allocated to budgets voted in section A	6,249,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A	Transfer to the Foreign & Commonwealth Office in respect of Africa Conflict Prevention Pool		-3,413,000
A	Transfer to the Ministry of Defence in respect of Africa Conflict Prevention Pool		-229,000
B	Transfer from the Foreign & Commonwealth Office in respect of Global Conflict Prevention Pool	9,660,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
C	Transfer of administration costs from RfR 1, section G, Central Departments	700,000	
<u>Resource transfers within the Request for Resources</u>			
A	Transfer of funds from Africa Conflict Pool to Post Conflict Reconstruction Unit relating to a project in Sudan.		-1,577,000
C	Transfer of funds from Africa Conflict Pool to Post Conflict Reconstruction Unit relating to a project in Sudan.	1,577,000	
		<u>Total</u>	<u>-5,219,000</u>
Total change in resources for RfR2		18,186,000	12,967,000
Total change in resources for Estimate			66,671,000

Changes in Capital**RfR 1: Eliminating poverty in poorer countries**

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
A	Capital DEL EYF drawn down, allocated to budgets voted in section G	15,000,000	
<u>Other changes</u>			
<u>Transfers within the Estimate</u>			

Department for International Development

Spring Supplementary Estimate, 2007-08

A	Reduction in allocation to section A in line with revised forecast outturn		-5,000,000
G	Increase in allocation to section G in line with revised forecast outturn	5,000,000	

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

G	Increase in expected loan repayments, offset within budgets by an increase in capital spending within the same section.	21,000,000	-21,000,000
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		<u>Total</u>	<u>41,000,000</u>	<u>-26,000,000</u>
	Total change in capital for Estimate			15,000,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £33,848,000.

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

Department for International Development

Part I

£

RfR 1: Eliminating poverty in poorer countries	53,704,000
RfR 2: Conflict Prevention	12,967,000
Total additional net resource requirement	66,671,000
Additional net cash requirement	33,848,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department of International Development on:

RfR 1: Eliminating poverty in poorer countries

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

RfR 2: Conflict Prevention

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

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

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Eliminating poverty in poorer countries						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1- B	Reducing Poverty in Asia	801,000	-1,500	-	-1,500	799,500
RfR 1- D	Improve the Effectiveness of Multilateral Aid	1,717,302	31,860	-	31,860	1,749,162
RfR 1- G	Central Departments	92,600	71	761	-690	91,910
Spending in Annually Managed Expenditure						
<i>Central Government spending</i>						
RfR 1- J	Programmes Contributing to Multiple Objectives	87,259	14,035	-	14,035	101,294
RfR 1- K	Grants to the International Finance Facility for Immunisation	1	9,999	-	9,999	10,000
Total RfR 1			54,465	761	53,704	
RfR 2: Conflict Prevention						
Spending in Departmental Expenditure Limits (DEL)						
RfR 2 - A	Africa Conflict Prevention	23,578	1,030	-	1,030	24,608
RfR 2 - B	Global Conflict Prevention	8,520	9,660	-	9,660	18,180
RfR 2 - C	Post Conflict Reconstruction	6,000	2,277	-	2,277	8,277
Total RfR 2			12,967	-	12,967	
Total Changes to RfRs			67,432	761	66,671	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	41,343	36,000	77,343
Non-Operating A in A	19,343	21,000	40,343
Net cash requirement	4,466,519	33,848	4,500,367

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Eliminating poverty in poorer countries							
233,371	667,350	3,716,684	4,617,405	10,061	4,607,344	77,343	40,343
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Reducing Poverty in sub-Saharan Africa						
52,000	171,841	1,055,709	1,279,550	-	1,279,550	11,283	10
B	Reducing Poverty in Asia						
30,000	98,167	671,333	799,500	-	799,500	4,540	10
C	Reducing Poverty in the Rest of the World						
19,000	45,137	140,213	204,350	-	204,350	3,022	10
D	Improve the Effectiveness of Multilateral Aid						
13,000	96,500	1,639,662	1,749,162	-	1,749,162	-	-
E	Developing Innovative Approaches to Development						
19,000	74,800	100,478	194,278	-	194,278	-	-
F	Programmes Contributing to Multiple Objectives						
11,000	57,011	92,989	161,000	-	161,000	-	-
G	Central Departments						
89,371	12,600	-	101,971	10,061	91,910	58,498	40,033
H	Certain beneficiaries of the Gibraltar Social Insurance Fund						
-	-	16,300	16,300	-	16,300	-	-
I	Crown Agents loan repayments						
-	-	-	-	-	-	-	280
Spending in Annually Managed Expenditure							
<i>Central Government spending</i>							
J	Programmes Contributing to Multiple Objectives						
-	101,294	-	101,294	-	101,294	-	-
K	Grants to the International Finance Facility for Immunisation						
-	10,000	-	10,000	-	10,000	-	-
Non-budget							
<i>EU Research Grants (Net)</i>							
-	-	-	-	-	-	-	-
RfR 2: Conflict Prevention							
3,700	4,577	42,788	51,065	-	51,065	-	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Africa Conflict Prevention						
-	-	24,608	24,608	-	24,608	-	-
B	Global Conflict Prevention						
-	-	18,180	18,180	-	18,180	-	-
C	Post Conflict Reconstruction						
3,700	4,577	-	8,277	-	8,277	-	-

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	
Total for Estimate:								
237,071	671,927	3,759,472	4,668,470	10,061	4,658,409	77,343	40,343	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	4,591,738	66,671	4,658,409
Voted capital items			
Capital	41,343	36,000	77,343
<i>Less:</i> Non-operating A in A	<u>19,343</u>	<u>21,000</u>	<u>40,343</u>
Total net voted capital	22,000	15,000	37,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-145,918	-14,035	-159,953
Depreciation	-21,010	3,000	-18,010
New provisions and adjustments to previous provisions	-5,501	7,001	1,500
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-260	-	-260
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-43,789	-43,789
Use of provisions	<u>25,470</u>	<u>-</u>	<u>25,470</u>
Total accruals to cash adjustments	-147,219	-47,823	-195,042
Excess cash to be CFERd	-	-	-
Net Cash Requirement	4,466,519	33,848	4,500,367

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	228,310
RfR2	3,700
Total Net Administration Costs	232,010
Net Programme Costs	
RfR1	4,379,034
RfR2	47,365
Non-voted	-
Total Net Programme costs	4,426,399
Total Net Operating Cost	4,658,409
<i>of which:</i>	
Net Resource Requirement	4,658,409
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	4,665,559

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	4,658,409
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	4,658,409
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-694,250
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	701,400
Resource Budget (Budget)	4,665,559
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	4,563,685
Annually Managed Expenditure (AME)	101,874

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	37,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	694,250
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	731,250
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	731,250
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Sue Owen, Acting Permanent Head of the Department

Request for Resources 2 Sue Owen, Acting Permanent Head of the Department

Sue Owen as the Accounting Officer of the Department for International Development has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for International Development

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

RfR 1: Eliminating poverty in poorer countries

Administration	5,061
<i>of which:</i>	
Sale of goods and services	5,061
Programme	5,000
<i>of which:</i>	
Sale of goods and services	1,000
Interest and Dividends	4,000

Total RfR1	10,061 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from overseas governments in respect of the bilateral country and sector programmes; refunds made under UK guarantees to the European Investment Bank; receipts of interest on bilateral and multilateral loans; administration receipts for: seconded officers, including recovery of the European Bank for Reconstruction and Development Executive Director's salary; recoveries from other government departments; rental income; recoveries from staff for use of official vehicles.

Total Operating A in A	10,061
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Analysis of non - operating appropriations in aid (A in A)

RfR 1: Eliminating poverty in poorer countries

Programme	40,343
<i>of which:</i>	
Sale of assets	53
Loan repayments	40,290

Total RfR1	40,343 †
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† Amount that may be applied as non-operating appropriations in aid arising from: repayment of loans given to Crown Agents; capital repayments of development assistance loans, income from debentures issued to DFID by CDC Group plc and income from the sale of land, buildings, surplus vehicles and other fixed assets.

Total Non-Operating A in A	40,343
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	42,637	-38,069	3,852,865	710,820	4,563,685
<i>of which:</i>					
Administration budget †	10	-	232,010	-	232,010
Near-cash in RDEL	62,637	-38,069	3,787,436	726,870	4,514,306
Capital DEL ††	15,000	-	731,250	-	731,250
Less Depreciation †††	3,000	-	-18,010	-	-18,010
Total DEL	60,637	-38,069	4,566,105	710,820	5,276,925

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	50,404

Department for International Development: Overseas Superannuation

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Overseas superannuation			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Changes in Annually Managed Expenditure (AME)</u>		
A	Increase in estimated interest costs.	1,400,000	
		<u>Total</u>	-
Total change in resources for RfR1		1,400,000	1,400,000
Total change in resources for Estimate			1,400,000

2. As a result of the above and non-cash adjustments, there is no change in the net cash requirement.

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

Department for International Development: Overseas Superannuation

Part I

	£
RfR 1: Overseas superannuation	1,400,000
Total additional net resource requirement	1,400,000
Additional net cash requirement	

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for International Development: Overseas Superannuation on:

RfR 1: Overseas superannuation

Pension and superannuation payments, grants and compensation payments, etc. in respect of overseas services; pensions for beneficiaries of certain former overseas pensions funds for which the UK assumed responsibility; contributions to pensions funds guaranteed by the UK; refunds of contributions made by overseas governments; war service credit; and associated non-cash items.

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

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Overseas superannuation

Spending in Annually Managed Expenditure (AME)

RfR 1 - A	Pensions and associated expenditure	57,643	1,400	-	1,400	59,043
	Total RfR 1		1,400	-	1,400	

£000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	114,503	-	114,503

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Overseas superannuation								
-	-	59,047	59,047	4	59,043	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
A Pensions and associated expenditure								
-	-	59,047	59,047	4	59,043	-	-	
Total for Estimate:								
-	-	59,047	59,047	4	59,043	-	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net total Resources	57,643	1,400	59,043
Voted capital items			
Capital expenditure	-	-	-
<i>Less:</i> non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-57,647	-1,400	-59,047
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	114,507	-	114,507
Total accruals to cash adjustments	56,860	-1,400	55,460
Excess cash to be CFERd	-	-	-
Net cash requirement	114,503	-	114,503

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Combined Revenue Account

	£'000
	2007-08 provision
Net Programme Costs	59,043
RfR 1	
<i>of which:</i>	
Income	
Contributions received	4
Transfers in	-
Other income receivable	-
Total Income	4
Expenditure	
Increase in liability	-
Interest on scheme liability	59,047
Other expenditure	-
Total Expenditure	59,047
Total Net Operating Cost	59,043
<i>of which:</i>	
Net Resource Requirement	59,043
Non-voted expenditure	-
CFERs	-
Resource Budget	59,043

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	59,043
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	59,043
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	59,043
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	59,043

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital Outturn (Estimates)	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Sue Owen, Acting Permanent Head of the department

Sue Owen, as the Accounting Officer (AO) of the Department for International Development: Overseas Superannuation has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The AO as the permanent head, in addition to any responsibilities for an assigned RfR, remains in general overall charge of the Department for International Development: Overseas Superannuation.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate *(continued)*

Analysis of operating appropriations in aid (A in A)

	£'000 2007-08 <u>Provision</u>
RfR 1: Overseas superannuation	
Programme	4
<i>of which:</i>	
Pension scheme related income	4
CFERs	-
Total RfR 1	4 †
<i>† Amount that may be applied as appropriations in aid in addition to the net total, arising from: UK police force share of superannuation in respect of retired UK police officers with joint UK and overseas service.</i>	
Total Operating A in A	4

Notes to the Estimate (*continued*)

Cash which may be retained to offset expenditure

£'000

4

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

Department for Business, Enterprise and Regulatory Reform

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Increasing UK competitiveness			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
<u>Administration costs</u>			
L1	Onerous property lease provision (non-cash)	62,000,000	
<u>Programme costs</u>			
D3	Increase in resource grants (near-cash) - renewable energy Performance and Innovation Fund	1,357,000	
D3	Increase in resource grants (near-cash) - Sustainable Development/Waste Electrical and Electronic Equipment Directive	3,252,000	
J2	British Shipbuilders (non-cash)	10,841,000	
K3	Increase in resource grants (near-cash) - Global Threat reduction programme	4,400,000	
<u>DEL Reserve Claims</u>			
L1	Onerous property provision (non-cash)	122,000,000	
<u>Machinery of Government changes</u>			
E2	Programme costs relating to transfer to the Office for National Statistics in respect of construction statistics		-152,000
L1	Administration costs relating to transfer from Department for Communities and Local Government in respect of Northern Way	42,000	
L1	Administration costs relating to transfer to the Office for National Statistics in respect of construction statistics		-1,120,000
<u>Transfers of budgetary cover to/from other government departments</u>			
D3	Reduction in provision to fund transfer in respect of Waste Electrical and Electronic Equipment Directive to the Northern Ireland Executive		-311,000
<u>Other changes in DEL spending</u>			
L1	Increased provision for European Division funded in budgetary terms by a transfer of DEL cover from the Treasury Solicitor's Department	100,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
O3	Increased forecast for Paternity Pay	7,800,000	

Introduction

Other changes

	<u>Virement from Administration costs to Programme costs</u>	
L1	Utilisation of administration underspend to fund Energy Demand Reduction pilot and Clean and Sustainable energy policy	-3,700,000
D3	Utilisation of administration underspend to fund Energy Demand Reduction pilot and Clean and Sustainable energy policy	3,700,000
L1	Utilisation of administration underspend to fund in-year restructuring costs	-5,200,000
L2	Utilisation of administration underspend to fund in-year restructuring costs	5,200,000
	<u>Transfers to/from non-voted spending</u>	
D3	Virement of sustainable energy capital grants underspend to fund launch investment CFER shortfall	-8,900,000
D3	Virement of sustainable energy capital grants underspend to fund non-voted expenditure by the Nuclear Decommissioning Authority	-15,000,000
E2	Virement from voted spending on Enterprise Growth to fund non-voted expenditure by Capital for Enterprise	-300,000
F3	Virement from voted spending on Regional Selective Assistance to fund non-voted expenditure by the Nuclear Decommissioning Authority	-32,000,000
F5	Increased contributions from other Government Departments to fund non-voted expenditure by Regional Development Agencies	-2,727,000
	<u>Machinery of Government changes</u>	
U3	Increase in Regional Development Agencies Grant in Aid arising from Machinery of Government transfer from Department for Communities and Local Government in respect of Northern Way	25,810,000
	<u>Changes in non-budget spending</u>	
T3	Virement from voted spending on Enterprise Growth to fund non-voted expenditure by Capital for Enterprise	300,000
U3	Regional Development Agencies Grant in Aid increased to reflect increased contributions from other Government Departments	2,727,000
U3	Regional Development Agencies Grant in Aid increased to reflect cash consequences of utilisation of End Year Flexibility for non-voted expenditure	3,991,000
W3	Nuclear Decommissioning Authority Grant in Aid increased to reflect cash consequences of transfer of non-voted expenditure on Nirex from the Ministry of Defence	750,000
W3	Nuclear Decommissioning Authority Grant in Aid increased to reflect cash consequences of utilisation of End Year Flexibility for non-voted expenditure	256,159,000
W3	Nuclear Decommissioning Authority Grant in Aid increased to reflect cash consequences of Reserve claim for non-voted expenditure	97,000,000

Introduction

W3	Nuclear Decommissioning Authority Grant in Aid increased to reflect cash consequences of virement from voted spending on sustainable energy capital grants to Nuclear Decommissioning Authority non-voted expenditure	15,000,000	
W3	Nuclear Decommissioning Authority Grant in Aid increased to reflect cash consequences of virement from voted spending on Regional Selective Assistance to Nuclear Decommissioning Authority non-voted expenditure	32,000,000	
	<u>Transfers from capital grants to capital</u>		
D3	Virement from sustainable energy capital grants to capital expenditure by the Insolvency Service		-4,200,000
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>		
F3	Increase in Regional Selective Assistance expenditure offset by increased grant repayments	3,517,000	
F5	Increase in Regional Selective Assistance expenditure offset by increased grant repayments		-3,517,000
J1	Increase in Shareholder Executive expenditure offset by increased Post Office receipts	6,000,000	
J5	Increase in Post Office receipts offsetting increase in Shareholder Executive expenditure		-6,000,000
L1	Increase in administration expenditure offset by Department for Innovation, Universities and Skills receipts and increased rental income	24,000,000	
L5	Department for Innovation, Universities and Skills receipts offsetting increase in administration expenditure		-24,000,000
		<u>Total</u>	<u>687,946,000</u>
	Total change in resources for RfR1		-107,127,000
			580,819,000
	Total change in resources for Estimate		580,819,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
	<u>Changes related to movements in budgets</u>		
	<u>Transfers of budgetary cover to/from other government departments</u>		
B7	Transfer to Ministry of Justice for ETS/ACAS caseflow project		-1,628,000
	<u>Other changes</u>		
	<u>Transfers from capital grants to capital</u>		
I7	Virement from sustainable energy capital grants to capital expenditure by the Insolvency Service	4,200,000	

Introduction

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

B7	Increase in Ofcom expenditure offset by recovery of loan	2,800,000	
B8	Recovery of Ofcom loan offsetting increased Ofcom expenditure		-2,800,000
		<u>Total</u>	<u>7,000,000</u>
	Total change in capital for Estimate		2,572,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £744,166,000.

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

Department for Business, Enterprise and Regulatory Reform

Part I

£

RfR 1: Increasing UK competitiveness	†	580,819,000
Total additional net resource requirement		580,819,000
Additional net cash requirement	†	744,166,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for Business, Enterprise and Regulatory Reform

RfR 1: Increasing UK competitiveness

Promotion of enterprise, innovation and increased productivity delivered through market solutions designed to meet market imperfections identified within the portfolios of 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, best practice and sustainable development ;promotion of strong, fair and competitive markets at home and abroad including fair and effective legal and regulatory frameworks and delivering regulatory reform; measures to protect investors, measures to promote the interests of consumers, support for employment relations programmes and and measures to promote a skilled and flexible labour market; support for energy-related activities including measures related to regulation, civil emergency planning, environmental remediation and support for new and sustainable energy sources, global threat reduction programmes associated with nuclear, chemical and biological capabilities in the Former Soviet Union and other countries; the efficient management and discharge of liabilities falling to the Department including nuclear waste management and decommissioning and liabilities in respect of former coal and shipbuilding industry employees; exchange risk and other guarantee losses;subscriptions to international organisations and fulfilment of international treaty obligations;payments to other Government Departments and the Devolved Administrations in relation to programmes supporting BERR objectives; support for Government Offices; grants and grants-in-aid to organisations supporting BERR objectives, including Non-Departmental Public Bodies; financial assistance including the provision of credit facilities to public corporations including Ofcom; managing the Government's shareholder interest in Royal Mail, British Energy, BNFL, UKAEA, Royal Mint, Partnerships and Actis; funding of the department's executive agencies ;issuing budgets and making payments to Regional Development Agencies, to which other government departments will contribute by supplying resources which BERR will appropriate in aid; payments to local authorities in respect of schemes supporting better regulation and New Burdens responsibilities; miscellaneous programmes including payments in respect of claims for the restitution of the property of victims of Nazi persecution, compensation for distant water trawlermen and assistance to redundant steelworkers and dismissed miners; departmental administration costs and a share of the administration costs of UK Trade & Investment; payments towards the expenses of the Office of Manpower Economics; associated non-cash items.

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

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

The **Department for Business, Enterprise and Regulatory Reform** will account for this Estimate.

†The responsibility for the Northern Way Growth Fund was transferred from the Department for Communities and Local Government on 26 October 2007. Within the overall changes sought in this Estimate the specific changes relating to this Machinery of Government transfer are: (a) for RfR1 the net resource requirement is increased by £25,852,000; and (b) the net cash requirement for the Estimate is increased by £25,852,000.

†The responsibility for construction statistics will transfer to the Office for National Statistics on 1 March 2008. Within the overall changes sought in this Estimate the specific changes relating to this Machinery of Government transfer are: (a) for RfR1 the net resource requirement is reduced by £1,272,000; and (b) the net cash requirement for the Estimate is reduced by £1,272,000.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Increasing UK competitiveness					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1- D Sustainability and the Environment	81,519	-20,102	-	-20,102	61,417
RfR 1- E Enterprise Growth and Business Investment	118,490	-9,452	-	-9,452	109,038
RfR 1- F Regional Economies	-1,714,514	-28,483	6,244	-34,727	-1,749,241
RfR 1- G Trade and Investment	33,516	-	-	-	33,516
RfR 1- J Assets and Liabilities	-890,622	47,441	6,000	41,441	-849,181
RfR 1- K Nuclear Security and Export Control	55,391	4,400	-	4,400	59,791
RfR 1- L Activities in Support of all Objectives	314,932	181,722	24,000	157,722	472,654
Spending in Annually Managed Expenditure(AME)					
<i>Central Government spending</i>					
RfR 1- O Maximising Potential in the Workplace	35,000	7,800	-	7,800	42,800
Non-Budget					
RfR 1- T Enterprise Growth and Business Investment	-	300	-	300	300
RfR 1- U Regional Economies	1,799,482	32,528	-	32,528	1,832,010
RfR 1- W Assets and Liabilities	3,091,032	400,909	-	400,909	3,491,941
Total RfR 1		617,063	36,244	580,819	
Total Changes to RfRs		617,063	36,244	580,819	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	10,667,515	5,372	10,672,887
Non-Operating A in A	9,954,679	2,800	9,957,479
Net cash requirement	5,280,455	744,166	6,024,621

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								
544,765	1,088,561	6,075,814	7,709,140	3,412,860	4,296,280	10,672,887	9,957,479	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Knowledge Transfer and Innovation							
-	-	11,206	11,206	-	11,206	-	-	
B	Extending Competitive Markets							
-	126,280	41,108	167,388	95,486	71,902	1,172	2,800	
C	Security of Energy Supply							
-	5,438	1,109	6,547	10,820	-4,273	-	-	
D	Sustainability and the Environment							
-	14,660	46,757	61,417	-	61,417	-	-	
E	Enterprise Growth and Business Investment							
-	72,240	45,748	117,988	8,950	109,038	61,000	-	
F	Regional Economies							
-	700	-	700	1,749,941	-1,749,241	-	-	
G	Trade and Investment							
33,928	-	-	33,928	412	33,516	-	-	
H	Maximising Potential in the Workplace							
-	54,895	80	54,975	203	54,772	1,035	-	
I	Corporate Activity and Insolvency Framework							
22,011	179,656	1,631	203,298	133,891	69,407	4,300	385	
J	Assets and Liabilities							
10,933	489,828	33,908	534,669	1,383,850	-849,181	-	-	
K	Nuclear Security and Export Control							
-	191	59,600	59,791	-	59,791	-	-	
L	Activities in Support of all Objectives							
477,893	18,852	5,211	501,956	29,302	472,654	5,380	4,291	
<i>Support for Local Authorities</i>								
M	Knowledge Transfer and Innovation							
-	-	-	-	-	-	-	-	
N	Grants to London Development Agency							
-	-	391,184	391,184	-	391,184	-	-	
Spending in Annually Managed Expenditure(AME)								
<i>Central Government spending</i>								
O	Maximising Potential in the Workplace							
-	-	42,800	42,800	-	42,800	-	-	
P	Assets and Liabilities							
-	125,821	14,633	140,454	5	140,449	10,600,000	9,950,000	
<i>Activities in Support of all Objectives</i>								
-	-	-	-	-	-	-	-	

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	
Support for Local Authorities								
Q	Regional Economies							
-	-	2,567	2,567	-	2,567	-	-	
Non-Budget								
R	Extending Competitive Markets							
-	-	38,311	38,311	-	38,311	-	-	
S	Security of Energy Supply							
-	-	10,700	10,700	-	10,700	-	-	
T	Enterprise Growth and Business Investment							
-	-	300	300	-	300	-	-	
U	Regional Economies							
-	-	1,832,010	1,832,010	-	1,832,010	-	-	
V	Corporate Activity and Insolvency Framework							
-	-	2,010	2,010	-	2,010	-	-	
W	Assets and Liabilities							
-	-	3,491,941	3,491,941	-	3,491,941	-	3	
X	Nuclear Security and Export Council							
-	-	3,000	3,000	-	3,000	-	-	
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society								
-	-	-	-	-	-	-	-	
Spending in Departmental Expenditure Limits								
Central Government spending								
A	The Royal Society							
-	-	-	-	-	-	-	-	
B	Royal Academy of Engineering							
-	-	-	-	-	-	-	-	
C	British Academy							
-	-	-	-	-	-	-	-	
D	OSI Initiatives							
-	-	-	-	-	-	-	-	
E	Science and Society							
-	-	-	-	-	-	-	-	
F	Knowledge Transfer							
-	-	-	-	-	-	-	-	
G	Science Research Investment Fund							
-	-	-	-	-	-	-	-	
H	Science and Engineering Base Administration Costs							
-	-	-	-	-	-	-	-	
I	Transdepartmental Science and Technology Group administration Costs							
-	-	-	-	-	-	-	-	
J	Biotechnology and Biological Sciences Research Council							
-	-	-	-	-	-	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
<i>Cambridge/Massachusetts Institute of Technology</i>							
-	-	-	-	-	-	-	-
<i>Foresight LINK Awards</i>							
-	-	-	-	-	-	-	-
<i>Joint Infrastructure Fund</i>							
-	-	-	-	-	-	-	-
Spending in Annually Managed Expenditure(AME)							
Central Government spending							
K Research Councils' Pension Scheme							
-	-	-	-	-	-	-	-
Non-Budget							
L Arts and Humanities Research Council							
-	-	-	-	-	-	-	-
M Biotechnology and Biological Sciences Research Council							
-	-	-	-	-	-	-	-
N Economic and Social Research Council							
-	-	-	-	-	-	-	-
O Engineering and Physical Sciences Research Council							
-	-	-	-	-	-	-	-
P Medical Research Council							
-	-	-	-	-	-	-	-
Q Natural Environment Research Council							
-	-	-	-	-	-	-	-
R Science and Technology Facilities Council							
-	-	-	-	-	-	-	-
S Fees Payable under the Animals (Scientific Procedures) Act 1986							
-	-	-	-	-	-	-	-
<i>Particle Physics and Astronomy Research Council</i>							
-	-	-	-	-	-	-	-
<i>Council for the Central Laboratory of the Research Councils</i>							
-	-	-	-	-	-	-	-
<i>Council for the Central Laboratory of the Research Councils - Diamond Synchrotron</i>							
-	-	-	-	-	-	-	-
Total for Estimate:							
544,765	1,088,561	6,075,814	7,709,140	3,412,860	4,296,280	10,672,887	9,957,479

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	3,715,461	580,819	4,296,280
Voted capital items			
Capital	10,667,515	5,372	10,672,887
<i>Less: Non-operating A in A</i>	<i>9,954,679</i>	<i>2,800</i>	<i>9,957,479</i>
Total net voted capital	712,836	2,572	715,408
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-173,514	-10,841	-184,355
Depreciation	-38,275	-	-38,275
New provisions and adjustments to previous provisions	-75,542	-184,000	-259,542
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-305	-	-305
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-6,000	-	-6,000
Increase(-)/decrease (+) in creditors	10,288	355,616	365,904
Use of provisions	1,135,506	-	1,135,506
Total accruals to cash adjustments	852,158	160,775	1,012,933
Excess cash to be CFERd	-	-	-
Net Cash Requirement	5,280,455	744,166	6,024,621

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	2,186	<i>2,186</i>	2,186	<i>2,186</i>
Non-operating income not classified as A in A	577,300	<i>577,300</i>	828,400	<i>828,400</i>
Other amounts collectable on behalf of the Consolidated Fund	77,782	<i>77,782</i>	77,782	<i>77,782</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	657,268	<i>657,268</i>	908,368	<i>908,368</i>

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	500,831
RfR2	-
Total Net Administration Costs	500,831
Net Programme Costs	
RfR1	3,793,263
RfR2	-
Non-voted	258,809
Total Net Programme costs	4,052,072
Total Net Operating Cost	4,552,903
<i>of which:</i>	
Net Resource Requirement	4,296,280
Non-voted expenditure	258,809
Consolidated Fund Extra Receipts	-2,186
Resource Budget	2,449,019

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	4,296,280
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	258,809
Consolidated Fund extra receipts in the OCS	-2,186
Other adjustments	-
Net Operating Costs (Accounts)	4,552,903
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-245,903
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-4,200
resource consumption of non departmental public bodies	-1,853,781
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	2,449,019
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2,787,259
Annually Managed Expenditure (AME)	-338,240

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	715,408
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-828,400
capital spending by non departmental public bodies	1,013,866
capital grants	245,903
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	18,269
Other adjustments	3
Capital Budget (Budget)	1,165,049
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,194,049
Annually Managed Expenditure (AME)	-29,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

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

Sir Brian Bender as the Accounting Officer of the Department for Business, Enterprise and Regulatory Reform has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Business, Enterprise and Regulatory Reform.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

RfR 1: Increasing UK competitiveness

Administration	43,934
<i>of which:</i>	
Sale of goods and services	43,934
Programme	3,368,926
<i>of which:</i>	
Sale of goods and services	1,477,410
Regulatory Licences, fines, penalties and taxes	88,058
EU Income	-
Other grant income (including repayments of grants/subsidies)	1,803,458
Interest and Dividends	2,186
CFERS	-2,186

Total RfR1	3,412,860 †
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Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income from 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 firms support schemes, trade policy, e-commerce, energy and coal, sectoral support, receipts from the Department for Communities and Local Government, Department of Environment, Food and Rural Affairs, the Department for Innovation, Universities and Skills, the Department for Culture, Media and Sport and UK Trade & Investment in relation to Regional Development Agencies and the London Development Agency, the exchange risk guarantee scheme, national selective assistance to industry, the Office of Civil Nuclear Security, fees to advisers on privatisation and BNFL, and expenditure in the following areas: telecommunications, including licence fees, posts, civil aircraft research and demonstration,

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

Total Operating A in A	3,412,860
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Analysis of non - operating appropriations in aid (A in A)

RfR 1: Increasing UK competitiveness

Programme	9,957,479
<i>of which:</i>	
Sale of assets	4,291
Loans, etc, repayments	10,781,588
CFERS	-828,400.

Total RfR1	9,957,479 †
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† Amount that may be applied as non-operating appropriations in aid arising from: recovery of income from the sales of fixed assets and from sale of land by the Department and its executive agencies, repayment of loans.

Total Non-Operating A in A	9,957,479
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2007-08 provision Income	Receipts
Distribution of surpluses from coal industry pension scheme	Δ	286,000	286,000
Release from Coal pensions Fund Investment Reserve	Δ	133,000	133,000
OFCOM	Φ	555	555
OFCOM	•	57,297	57,297
Companies House receipts from late filing penalties	•	12,000	12,000
Receipts of the Coal Authority	•	4,200	4,200
Privatisation of the coal industry, including property clawback receipts	Δ	4,200	4,200
Receipt of Dividend from the Companies House Executive Agency trading fund	Φ	1,582	1,582
Non- nuclear energy miscellaneous receipts	•	85	85
Interest on loans advanced by the S of S to the Companies House Executive Agency trading fund	Φ	49	49
Levies on sale of aero engines and airframes	Φ	149,400	149,400
BNFL equity withdrawal	Δ	260,000	260,000
Total		908,368	908,368

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	201,746	356,373	-443,681	3,230,940	2,787,259
<i>of which:</i>					
Administration budget †	174,122	-	500,831	-	500,831
Near-cash in RDEL	6,905	356,373	-791,704	3,286,885	2,495,181
Capital DEL ††	-59,892	86,264	-758,716	1,952,765	1,194,049
Less Depreciation †††	-	-	-38,275	-9,129	-47,404
Total DEL	141,854	442,637	-1,240,672	5,174,576	3,933,904

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	13,370,339

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

RfR/Section	Body	£ '000
RfR1- H	Advisory, Conciliation and Arbitration Service ♥	40,037
RfR1- B	The National Association of Citizen's Advice Bureaux ♥	23,855
RfR1- B	Citizen's Advice Scotland ♥	3,240
RfR1- R	The National Consumer Council ♥	3,271
RfR1- S	Energy Watch ♥	10,700
RfR1- R	Postwatch ♥	9,170
RfR1- R	The Competition Commission and the Competition Service	25,070
RfR1- W	The Coal Authority ♥	27,700
RfR1- V	Local Better Regulation Office ♥	2,010
RfR1- U	The Regional Development Agencies ♥	1,832,010
RfR1- W	The United Kingdom Atomic Energy Authority ♥	10,237
RfR1- W	The Nuclear Decommissioning Authority ♥	3,454,664
RfR1- X	The Civil Nuclear Police Authority ♥	3,000
	Total	5,444,964

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR 1		
K3	Non-proliferation: international subscriptions	18,210
B3	Trade Policy: international subscriptions	5,591
B2	Trade Policy: other resource expenditure	851
R3	Grant in Aid to SITPRO	800
J2	Bevin Boys Commemorative Lapel Badge	8
J2	British Shipbuilders Health Liabilities (Chester Street claims)	350

UK Trade & Investment

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment			
<u>Section</u>	<u>Reason for change</u>		
<u>Other changes</u>			
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A2 and A5	Increase in gross expenditure offset by increased appropriations-in-aid arising from income generated from UKTI chargeable services being higher than forecast in the Main Estimate.	600,000	-600,000
<u>Token increases</u>			
A2	Token increase to allow increase in appropriations-in-aid to be included in Estimate	1,000	
		<u>Total</u>	
Total change in resources for RfR1		601,000	-600,000
			1,000
Total change in resources for Estimate			1,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £8,888,000.

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

UK Trade & Investment

Part I

		£
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment	†	1,000
Total additional net resource requirement		1,000
Additional net cash requirement	†	8,888,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by UK Trade & Investment on:

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

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

UK Trade & Investment will account for this Estimate.

† Pending passage of the Appropriation Act urgent cash expenditure of £6,000,000 supporting the services provided for under sections A2 and A3 will be met by a repayable advance from the Contingencies Fund. There are no implications for resources supporting the services provided for in the Estimate.

Part II: Changes proposed

						£'000
Resources		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1 - A	Trade development and promotion and inward investment	89,307	601	600	1	89,308
Total RfR 1			601	600	1	
Total Changes to RfRs			601	600	1	

		£000		
	Present Provision	Change in Provision	New Provision	
Capital and Cash				
Total Capital Expenditure	248	-	248	
Non-Operating A in A	-	-	-	
Net cash requirement	90,348	8,888	99,236	

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 enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment								
-	74,699	17,230	91,929	2,600	89,329	248	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Trade development and promotion and inward investment								
-	74,678	17,230	91,908	2,600	89,308	248	-	
Spending in Annually Managed Expenditure(AME)								
<i>Central Government spending</i>								
B Trade development and promotion and inward investment								
-	21	-	21	-	21	-	-	
Total for Estimate:								
-	74,699	17,230	91,929	2,600	89,329	248	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	89,328	1	89,329
Voted capital items			
Capital	248	-	248
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	248	-	248
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	79	-	79
Depreciation	-187	-	-187
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	880	8,887	9,767
Use of provisions	-	-	-
Total accruals to cash adjustments	772	8,887	9,659
Excess cash to be CFERd	-	-	-
Net Cash Requirement	90,348	8,888	99,236

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Programme Costs	
RfR1	89,329
Total Net Programme costs	89,329
Total Net Operating Cost	89,329
<i>of which:</i>	
Net Resource Requirement	89,329
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	89,329

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	89,329
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	89,329
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	89,329
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	89,308
Annually Managed Expenditure (AME)	21

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	248
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	248
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	248
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Andrew Cahn, Chief Executive of UK Trade & Investment

Andrew Cahn as the Accounting Officer of the UK Trade & Investment has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of UK Trade & Investment.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

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

Programme	2,600
<i>of which:</i>	
Sale of goods and services	2,600

Total RfR1	2,600 †
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†Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income relating to the provision of trade development services; asset sales; insurance claims; recovery of costs incurred on behalf of others; recovery of overpayments.

Total Operating A in A	2,600
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1	-	89,308	-	89,308
<i>of which:</i>					
Administration budget †	-	-	-	-	-
Near-cash in RDEL	1	-	89,221	-	89,221
Capital DEL ††	-	-	248	-	248
Less Depreciation †††	-	-	-166	-	-166
Total DEL	1	-	89,390	-	89,390

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

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

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

Cash which may be retained to offset expenditure

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

£'000

2,600

Department for Business, Enterprise and Regulatory Reform: UKAEA pension schemes

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Changes in Annually Managed Expenditure (AME)</u>			
A3	Revised forecast for increase in value of liability due to interest on scheme liabilities	1,000	
		<u>Total</u>	<u>-</u>
Total change in resources for RfR1		1,000	1,000
Total change in resources for Estimate			1,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £1,000.

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

Department for Business, Enterprise and Regulatory Reform: UKAEA pension schemes†

Part I

	£
RfR 1: Effective Management of UKAEA Pension Schemes	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for Business, Enterprise and Regulatory Reform UKAEA pension schemes on:

RfR 1: Effective Management of UKAEA Pension Schemes

Payment of pensions, etc., to members of the United Kingdom Atomic Energy Authority superannuation schemes and the related expenditure and associated non-cash items.

The **Department for Business, Enterprise and Regulatory Reform** will account for this Estimate.

† In the Main Estimate 2007-08 the name for this Estimate was 'Department of Trade and Industry : UKAEA pension schemes'.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Effective Management of UKAEA Pension Schemes

Spending in Annually Managed Expenditure (AME)

RfR 1 - A	Payments of pensions, transfer values and repayments of contributions	288,883	1	-	1	288,884
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Total RfR 1

1	-	1
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Total Changes to RfRs

1	-	1
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£000

Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	-	-	-
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Non-Operating A in A	-	-	-
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Net cash requirement	68,235	1	68,236
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Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Effective Management of UKAEA Pension Schemes								
-	-	390,060	390,060	101,176	288,884	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
A Payments of pensions, transfer values and repayments of contributions								
-	-	390,060	390,060	101,176	288,884	-	-	
Total for Estimate:								
-	-	390,060	390,060	101,176	288,884	-	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net total Resources	288,883	1	288,884
Voted capital items			
Capital expenditure	-	-	-
<i>Less:</i> non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-390,059	-1	-390,060
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	169,411	1	169,412
Total accruals to cash adjustments	-220,648	-	-220,648
Excess cash to be CFERd	-	-	-
Net cash requirement	68,235	1	68,236

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Combined Revenue Account

	£'000
	2007-08 provision
Net Programme Costs	288,884
RfR 1	
<i>of which:</i>	
Income	
Contributions received	93,287
Transfers in	7,889
Other income receivable	-
	<hr/> 101,176
Expenditure	
Increase in liability	152,024
Interest on scheme liability	238,036
Other expenditure	-
	<hr/> 390,060
Total Net Operating Cost	288,884
<i>of which:</i>	
Net Resource Requirement	288,884
Non-voted expenditure	-
CFERs	-
 Resource Budget	 288,884

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	288,884
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	288,884
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	288,884
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	288,884

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital Outturn (Estimates)	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

Sir Brian Bender as the Accounting Officer (AO) of the Department for Business, Enterprise and Regulatory Reform: UKAEA pension schemes has personal responsibility for the proper presentation of the UKAEA pension schemes resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The AO as the permanent head remains in general overall charge of the Department for Business, Enterprise and Regulatory Reform: UKAEA pension schemes.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate *(continued)*

Analysis of operating appropriations in aid (A in A)

	£'000 2007-08 <u>Provision</u>
RfR 1: Effective Management of UKAEA Pension Schemes	
Programme	101,176
<i>of which:</i>	
Pension scheme related income	101,176
Total RfR 1	101,176 †
 <i>† Amount that may be applied as appropriations in aid in addition to the net total, arising from: receipts for employers and employees contributions and transfer values received.</i>	
Total Operating A in A	101,176

Notes to the Estimate (*continued*)

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

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

101,176

Export Credits Guarantee Department

Introduction

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

Amount (£)

Changes in resources

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Other changes</u>			
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
E2 and E5	Increase in gross expenditure to cover the change to fair value accounting for Credit Default Swaps (CDS's) used in Active Portfolio Management (APM), offset by an increase in Appropriations -in- Aid.	15,999,000	-15,999,000
<u>Token increases</u>			
E2	Token increase to allow increase in Appropriations-in-Aid to be included in Estimate	1,000	
		<u>Total</u>	<u>-15,999,000</u>
Total change in resources for RfR2		16,000,000	1,000
Total change in resources for Estimate			1,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £1,000.

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

Export Credits Guarantee Department

Part I

£

RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports **1,000**

Total additional net resource requirement 1,000

Additional net cash requirement **1,000**

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Export Credits Guarantee Department on:

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

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

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

Export Credit guarantees given in the national interest or to render economic assistance to overseas countries, overseas investment insurance, residual commitments under discontinued facilities, the cost escalation scheme subvention for the active management of the portfolio, and on associated non-cash items

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

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports

Non-Budget

RfR2- E	APM	-	16,000	15,999	1	1
Total RfR 2			16,000	15,999	1	
Total Changes to RfRs			16,000	15,999	1	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	481	-	481
Non-Operating A in A	-	-	-
Net cash requirement	1	1	2

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 provide export finance assistance through interest support to benefit the UK economy by facilitating exports							
-	74,784	45,340	120,124	51,022	69,102	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
A Fixed Rate Export Finance							
-	48,173	-	48,173	28,479	19,694	-	-
Non-Budget							
B GEFCO Loans and interest equalisation							
-	26,611	45,340	71,951	22,543	49,408	-	-
RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports							
-	43,280	-	43,280	43,278	2	481	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Administration							
-	600	-	600	-	600	481	-
Non-Budget							
B Admin - Running Costs							
-	26,680	-	26,680	560	26,120	-	-
C Export Credits							
-	-	-	-	25,719	-25,719	-	-
D Overseas Investment Insurance							
-	-	-	-	1,000	-1,000	-	-
E APM							
-	16,000	-	16,000	15,999	1	-	-
Total for Estimate:							
-	118,064	45,340	163,404	94,300	69,104	481	-

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	69,103	1	69,104
Voted capital items			
Capital	481	-	481
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	481	-	481
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-45,440	-	-45,440
Depreciation	-500	-	-500
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-183,531	-	-183,531
Increase(-)/decrease (+) in creditors	69,416	-	69,416
Use of provisions	-	-	-
Total accruals to cash adjustments	-160,055	-	-160,055
Excess cash to be CFERd	90,472	-	90,472
Net Cash Requirement	1	1	2

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Programme Costs	
RfR1	69,102
RfR2	-249,777
Total Net Programme Costs	-180,675
Total Net Operating Cost	-180,675
<i>of which:</i>	
Net Resource Requirement	69,104
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-249,779
Resource Budget	-83,516

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	69,104
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-249,779
Other adjustments	-
Net Operating Costs (Accounts)	-180,675
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	200,970
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	249,779
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-353,590
Resource Budget (Budget)	-83,516
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	600
Annually Managed Expenditure (AME)	-84,116

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	481
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-267,818
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	-267,337
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	481
Annually Managed Expenditure (AME)	-267,818

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Patrick Crawford, Chief Executive of ECGD

Request for Resources 2 Patrick Crawford, Chief Executive of ECGD

Patrick Crawford as the Accounting Officer of the Export Credits Guarantee Department has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Export Credits Guarantee Department.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

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

Programme	51,022
<i>of which:</i>	
Interest and Dividends	51,022

Total RfR1	51,022 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income from interest make-up receipts.

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

Programme	43,278
<i>of which:</i>	
Sale of goods and services	293,058
CFERs	-249,780

Total RfR2	43,278 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: premium and moratorium interest.

Total Operating A in A	94,300
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-	-	600	-	600
<i>of which:</i>					
Administration budget †	-	-	-	-	-
Near-cash in RDEL	-	-	-	-	-
Capital DEL ††	-	-	481	-	481
Less Depreciation †††	-	-	-500	-	-500
Total DEL	-	-	581	-	581

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	94,300

Office of Gas and Electricity Markets

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry and expenditure in connection with environmental programmes			
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A1	Increase in Gas and Electricity Markets Authority administration costs funded by a transfer from RfR 2, Section B.	400,000	
A5	Increase in operating appropriations- in-aid from regulatory fees and licences and penalties income transferred from RfR2, Section B.		-400,000
B1	Climate Change Levy and Renewable Energy Guarantees of Origin administration costs funded by transfer from RfR2, Section A.	700,000	
C1	Energy Efficiency and other Environmental Schemes administration costs funded by a transfer from RfR2, Section B.	1,700,000	
C5	Increase in operating appropriations- in-aid from regulatory fees and licences and penalties income transferred from RfR2, Section B.		-1,700,000
<u>Token increases</u>			
A1	A token increase in administration costs to allow an Estimate to be taken to transfer resources from RfR2 to RfR1.	1,000	
		<u>Total</u>	
Total change in resources for RfR1		2,801,000	-2,100,000
			701,000

RfR 2: Expenditure in connection with environmental programmes

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A1	Reduction in Climate Change Levy and Renewable Energy Guarantees of Origin administration expenditure costs offsetting transfer of resources to RfR1, Section B.		-700,000

B1	Reduction in Energy Efficiency and other Environmental Schemes administration costs offsetting transfer of resources to RfR1, Sections A and C.		-2,100,000
B5	Reduction in operating appropriations- in-aid from regulatory fees and licences and penalties income offsetting transfers to RfR2, Sections A and C.	2,100,000	

	<u>Total</u>	2,100,000	-2,800,000
Total change in resources for RfR2			-700,000

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

Office of Gas and Electricity Markets

Part I

		£
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry and expenditure in connection with environmental programmes	†*	701,000
RfR 2: Expenditure in connection with environmental programmes	†	-700,000
Total additional net resource requirement		1,000
Additional net cash requirement		1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Office of Gas and Electricity Markets on:

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry and expenditure in connection with environmental programmes

Administrative and operational costs, payments to BERR, co-operation with international regulators, administration of energy efficiency and other environmental schemes, and associated non-cash items.

RfR 2: Expenditure in connection with environmental programmes

Administration of energy efficiency and other environmental schemes and associated non-cash items.

The **Office of Gas and Electricity Markets** will account for this Estimate.

† The reduction in the net resource requirement of RfR2 of £700,000 is offset by a reallocation of those resources to RfR1.

* In the Main Estimate and the Winter Supplementary Estimate the RfR title was 'Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry'.

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: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry and expenditure in connection with environmental programmes					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Gas and Electricity Markets Authority: Administration	2	401	400	1	3
RfR 1 - B Climate Change Levy and Renewable Energy Guarantees of Origin: Administration	-	700	-	700	700
RfR 1 - C Energy Efficiency and other Environmental Schemes:Administration	-	1,700	1,700	-	-
Total RfR 1		2,801	2,100	701	
RfR 2: Expenditure in connection with environmental programmes					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 2 - A Climate Change Levy and Renewable Energy Guarantees of Origin: Administration	700	-700.	-	-700	-
RfR 2 - B Energy Efficiency and other Environmental Schemes:Administration	-	-2,100.	-2,100.	-	-
Total RfR 2		-2,800	-2,100	-700	
Total Changes to RfRs		1	-	1	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	1,000	-	1,000
Non-Operating A in A	50	-	50
Net cash requirement	1,848	1	1,849

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 consumers by regulating monopolies and promoting competition in the electricity and gas industry and expenditure in connection with environmental programmes							
40,186	-	-	40,186	39,483	703	1,000	50
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Gas and Electricity Markets Authority: Administration							
37,786	-	-	37,786	37,783	3	1,000	50
B Climate Change Levy and Renewable Energy Guarantees of Origin: Administration							
700	-	-	700	-	700	-	-
C Energy Efficiency and other Environmental Schemes:Administration							
1,700	-	-	1,700	1,700	-	-	-
RfR 2: Expenditure in connection with environmental programmes							
-	-	-	-	-	-	-	-
Spending in Departmental Expenditure Limits							
<i>Central Government spending</i>							
A Climate Change Levy and Renewable Energy Guarantees of Origin: Administration							
-	-	-	-	-	-	-	-
B Energy Efficiency and other Environmental Schemes:Administration							
-	-	-	-	-	-	-	-
Total for Estimate:							
40,186	-	-	40,186	39,483	703	1,000	50

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	702	1	703
Voted capital items			
Capital	1,000	-	1,000
<i>Less:</i> Non-operating A in A	<u>50</u>	<u>-</u>	<u>50</u>
Total net voted capital	950	-	950
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	255	-	255
Depreciation	-1,000	-	-1,000
New provisions and adjustments to previous provisions	-5	-	-5
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-45	-	-45
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>991</u>	<u>-</u>	<u>991</u>
Total accruals to cash adjustments	196	-	196
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,848	1	1,849

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	703
RfR2	-
Total Net Administration costs	703
Net Programme Costs	
RfR1	-
RfR2	-
Total Net Programme costs	-
Total Net Operating Cost	703
<i>of which:</i>	
Net Resource Requirement	703
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	703

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	703
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	703
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	703
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	703
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	950
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	950
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	950
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Alistair Buchanan, Chief Executive of OFGEM

Request for Resources 2 Alistair Buchanan, Chief Executive of OFGEM

Alistair Buchanan as the Accounting Officer of the Office of Gas and Electricity Markets has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office of Gas and Electricity Markets.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry and expenditure in connection with environmental programmes

Administration	39,483
<i>of which:</i>	
Sale of goods and services	96
Regulatory licences, fines, penalties and taxes	39,387

Total RfR1	39,483 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: regulation of monopolies and promoting competition; administration of energy efficiency and other environmental schemes. Includes gas and electricity licence fees; recovery of costs for administering the Fossil Fuel Levy; income from fees and charges levied under the the Gas Act 1986 and the Electricity Act 1989, as amended by the Utilities Act 2000; receipts in respect of letting, disposal, vacation or occupation of property or accommodation; income from services to other government organisations and any other cost recovery receipts.

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

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry and

Programme	50
<i>of which:</i>	
Sale of assets	50

Total RfR1	50 †
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† Amount that may be applied as non-operating appropriations-in-aid arising from : the sale of capital assets

Total Non- Operating A in A	50
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1	-	703	-	703
<i>of which:</i>					
Administration budget †	1	-	703	-	703
Near-cash in RDEL	1	-	-92	991	899
Capital DEL ††	-	-	950	-	950
Less Depreciation †††	-	-	-1,000	-	-1,000
Total DEL	1	-	653	-	653

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	39,533

Department for Environment, Food and Rural Affairs

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme England Guarantee Section as economically, efficiently and effectively as possible.			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<i>No changes</i>			
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
A2	Increase in other current resources for Animal Health and Welfare	22,966,000	
B1	Decrease in administration resources for Environment		-306,000
B2	Increase in other current resources for Environment	32,703,000	
B3	Decrease in grants for Environment		-47,502,000
C1	Increase in administration resources for Sustainable Farming Food and Fisheries	102,000	
C2	Increase in other current resources for Sustainable Farming Food and Fisheries	47,024,000	
D1	Increase in administration resources for Natural Resources and Rural Affairs	351,000	
D2	Increase in other current resources for Natural Resources and Rural Affairs	225,162,000	
E1	Decrease in administration resources for Departmental Operations		-5,721,000
E2	Decrease in other current resources for Departmental Operations		-32,441,000
E3	Decrease in grants for Departmental Operations		-11,848,000
F2	Decrease in other current resources for Rural Payments Agency EC Funded		-224,585,000

G2	Decrease in other current resources for Rural Payments Agency running costs		-29,817,000
H2	Increase in other current resources for Rural Payments Agency other	3,400,000	
I1	Increase in administration resources for Other Executive Agencies	5,574,000	
I2	Increase in other current resources for Other Executive Agencies	15,076,000	
J3	Decrease in grants for Environment		-46,523,000
S2	Decrease in other current resources for Local Area Agreements		-63,624,000
S3	Increase in grants for Local Area Agreements	63,462,000	
T3	Increase in grants for Natural Resources and Rural Affairs	46,547,000	
	<u>Transfers to/from non-voted spending</u>		
B5	Transfer of operating appropriations-in-aid from Consumer Council for Water to Environment		-600,000
J3	Transfer of Environment grants to Environment Agency		-10,000,000
E2	Transfer of Departmental Operations other current resources to Natural England		-14,763,000
B3	Transfer of British Waterways Board grants to Environment	16,800,000	
E3	Transfer of grants from non-voted to voted Departmental Operations	21,020,000	
D2	Decrease in other current resources for Natural Resources and Rural Affairs to offset decrease in non-voted CFER DEL income		-39,963,000
	<u>Changes in non-budget spending</u>		
M3	Increase in grant-in-aid for Consumer Council for Water	600,000	
M3	Increase in grant-in-aid for Environment Agency	10,000,000	
O3	Increase in grant-in-aid for Natural England	18,544,000	
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>		
A2 and A5	Increase in other current resources in Animal Health and Welfare offset by increase in operating appropriations-in-aid.	550,000	-550,000
B1 and B5	Increase in administration resources in Environment offset by increase in operating appropriations-in-aid.	243,000	-243,000
B2 and B5	Increase in other current resources in Environment offset by increase in operating appropriations-in-aid.	16,380,000	-16,380,000
C5 and C2	Decrease in other current resources in Sustainable Farming Food and Fisheries offset by decrease in operating appropriations-in-aid.	16,000	-16,000
E2 and E5	Increase in other current resources in Departmental Operations offset by increase in operating appropriations-in-aid.	300,000	-300,000

Department for Environment, Food and Rural Affairs

Spring Supplementary Estimate, 2007-08

I1 and I5	Increase in administration resources in Other Executive Agencies offset by increase in operating appropriations-in-aid.	23,080,000	-23,080,000
M3 and M5	Increase in grants in Environment offset by increase in operating appropriations-in-aid.	3,800,000	-3,800,000
R5 and R2	Decrease in other current resources in Other Executive Agencies offset by decrease in operating appropriations-in-aid.	38,000,000	-38,000,000

	<u>Total</u>	611,700,000	-610,062,000
Total change in resources for RfRI			1,638,000
Total change in resources for Estimate			1,638,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<i>No changes</i>			
<u>Other changes</u>			
<u>Transfers to/from non-voted spending</u>			
E7	Transfer to Departmental Operations capital costs from Environment Agency	3,800,000	
E7	Transfer of Departmental Operations capital costs to Natural England		-2,185,000
<u>Transfers within the Estimate</u>			
E7	Decrease in capital for Departmental Operations		-2,098,000
G7	Increase in capital for Rural Payments Agency running costs	8,000	
I7	Increase in capital for Other Executive Agencies	2,090,000	
<u>Changes in non-operating appropriations-in-aid (fully offset by changes in spending)</u>			
G7 and G8	Increase in capital in Rural Payments Agency running costs offset by increase in non-operating appropriations-in-aid.	2,500,000	-2,500,000
E7 and E8	Increase in capital in Departmental Operations offset by increase in non-operating appropriations-in-aid.	7,514,000	-7,514,000
	<u>Total</u>	15,912,000	-14,297,000
Total change in capital for Estimate			1,615,000

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

Department for Environment, Food and Rural Affairs

Part I

£

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme England Guarantee Section as economically, efficiently and effectively as possible.	† 1,638,000
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Total additional net resource requirement	1,638,000
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Additional net cash requirement	1,000
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SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for Environment, Food and Rural Affairs on:

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme England Guarantee Section as economically, efficiently and effectively as possible.

Environmental protection; support for measures which improve local environmental quality; pollution emergency response services; flood and coastal protection and land drainage; water partnership supply and sewerage services, including national security; to increase UK's environment decontamination capabilities involving chemical, biological or radiological materials; support to the environmental protection industry for environmental technology and for measures to promote sustainable development; measures to reduce carbon dioxide emissions and improve energy efficiency, security and environmental practice, botanical services; radon measurement and support of remedial works campaigns; support for agriculture in special areas; food safety and hygiene; support for rural and regional development; assistance to production; marketing and processing in the agriculture, fisheries and food industries; assistance to the residual Milk Marketing Board; emergency and strategic food services; plant health; support for the fishing industry; compensation payments to producers; grants and other financial support to voluntary bodies; support for measures to stimulate sustainable consumption of goods and services; countryside management and stewardship; conservation; national parks grants; support of countryside and wildlife initiatives; animal health and welfare; emergency measures, including foot and mouth eradication and compensation schemes; other services including emergency measures in relation to BSE; grant-in-aid to Non-Departmental Public Bodies and subsidy to Public Corporations; subscriptions and contributions to international organisations; surveys, monitoring, statistics, advice and consultancies; publicity, promotion, awareness and publications; commissioned and departmental research and development; specialist support services, management and development of staff, other departmental administration costs, regional restructuring costs; EU receipts; giving effect in the United Kingdom to the agricultural support provisions of the Common Agricultural Policy and Rural Development Programme England of the European Union including compensation payments to producers and support for agriculture in special areas; management of inland waterways by British Waterways Board; consumer representation and other functions under the Water Act 2003; funding through Local Area Agreements, and associated non-cash costs.

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

† In the Main Estimate and the Winter Supplementary Estimate the RfR Title was 'Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.'

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme England Guarantee Section as economically, efficiently and effectively as possible.					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Animal Health and Welfare	262,119	23,516	550	22,966	285,085
RfR 1 - B Environment	919,763	18,318	17,223	1,095	920,858
RfR 1 - C Sustainable Farming Food and Fisheries	84,314	47,110	-16	47,126	131,440
RfR 1 - D Natural Resources and Rural Affairs	328,861	185,550	-	185,550	514,411
RfR 1 - E Departmental Operations	250,765	-43,453	300	-43,753	207,012
RfR 1 - F Rural Payments Agency EC Funded	2,297,207	-224,585	-	-224,585	2,072,622
RfR 1 - G Rural Payments Agency running costs	266,039	-29,817	-	-29,817	236,222
RfR 1 - H Rural Payments Agency other	82,400	3,400	-	3,400	85,800
RfR 1 - I Other Executive Agencies	139,570	43,730	23,080	20,650	160,220
<i>Support for Local Authorities</i>					
RfR 1 - J Environment	144,537	-56,523	-	-56,523	88,014
Non - Budget					
RfR 1 - M Environment	693,930	14,400	3,800	10,600	704,530
RfR 1 - O Natural Resources and Rural Affairs	200,207	18,544	-	18,544	218,751
RfR 1 - R Other Executive Agencies	-	-38,000	-38,000	-	-
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - S Local Area Agreements	118,621	-162	-	-162	118,459
<i>Support for Local Authorities</i>					
RfR 1 - T Natural Resources and Rural Affairs	-	46,547	-	46,547	46,547
Total RfR 1		8,575	6,937	1,638	
Total Changes to RfRs		8,575	6,937	1,638	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	99,123	11,629	110,752
Non-Operating A in A	2,021	10,014	12,035
Net cash requirement	5,862,117	1	5,862,118

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
644,546	4,703,726	1,849,933	7,198,205	1,313,352	5,884,853	110,752	12,035
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Animal Health and Welfare							
50,913	201,345	34,136	286,394	1,309	285,085	-	-
B Environment							
78,199	425,278	438,239	941,716	20,858	920,858	2,048	-
C Sustainable Farming Food and Fisheries							
30,927	104,888	4,066	139,881	8,441	131,440	-	-
D Natural Resources and Rural Affairs							
37,083	397,731	83,644	518,458	4,047	514,411	-	-
E Departmental Operations							
227,347	337	14,392	242,076	35,064	207,012	68,786	9,535
F Rural Payments Agency EC Funded							
-	2,072,149	473	2,072,622	-	2,072,622	-	-
G Rural Payments Agency running costs							
-	239,740	-	239,740	3,518	236,222	7,628	2,500
H Rural Payments Agency other							
-	85,800	-	85,800	-	85,800	-	-
I Other Executive Agencies							
220,077	153,396	-	373,473	213,253	160,220	32,290	-
<i>Support for Local Authorities</i>							
J Environment							
-	-	88,014	88,014	-	88,014	-	-
K Rural Payments Agency EC Funded							
-	-	4,992	4,992	-	4,992	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
L Environment							
-	-	55,600	55,600	-	55,600	-	-
Non - Budget							
M Environment							
-	-	708,330	708,330	3,800	704,530	-	-

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
N Sustainable Farming Food and Fisheries	-	-	9,391	9,391	-	9,391	-	-
O Natural Resources and Rural Affairs	-	-	218,751	218,751	-	218,751	-	-
P Departmental Operations	-	-	24,899	24,899	-	24,899	-	-
Q Rural Payments Agency EC Funded	-	1,023,062	-	1,023,062	1,023,062	-	-	-
R Other Executive Agencies	-	-	-	-	-	-	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
S Local Area Agreements	-	-	118,459	118,459	-	118,459	-	-
<i>Support for Local Authorities</i>								
T Natural Resources and Rural Affairs	-	-	46,547	46,547	-	46,547	-	-
Total for Estimate:								
	644,546	4,703,726	1,849,933	7,198,205	1,313,352	5,884,853	110,752	12,035

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	5,883,215	1,638	5,884,853
Voted capital items			
Capital	99,123	11,629	110,752
<i>Less: Non-operating A in A</i>	<i>2,021</i>	<i>10,014</i>	<i>12,035</i>
Total net voted capital	97,102	1,615	98,717
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-29,179	-37,820	-66,999
Depreciation	-63,463	-	-63,463
New provisions and adjustments to previous provisions	-134,000	-	-134,000
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	67,400	-	67,400
Total accruals to cash adjustments	-159,242	-37,820	-197,062
Excess cash to be CFERd	41,042	34,568	75,610
Net Cash Requirement	5,862,117	1	5,862,118

Part III: Extra receipts payable to the Consolidated Fund

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

	<u>Present provision</u>		<u>New provision</u>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	2,322,319	<i>4,803,270</i>	2,282,356	<i>2,340,356</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	<i>41,042</i>	-	<i>75,610</i>
Total	2,322,319	<i>4,844,312</i>	2,282,356	<i>2,415,966</i>

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	393,944
Total Net Administration Costs	393,944
Net Programme Costs	
RfR1	3,208,553
Total Net Programme Costs	3,208,553
Total Net Operating Cost	3,602,497
<i>of which:</i>	
Net Resource Requirement	5,884,853
Non-voted expenditure	
Consolidated Fund Extra Receipts	-2,282,356
Resource Budget	2,946,277

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	5,884,853
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-2,282,356
Other adjustments	-
Net Operating Costs (Accounts)	3,602,497
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-485,796
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	22,205
resource consumption of non departmental public bodies	-137,632
unallocated resource provision	-
Other adjustments	-54,997
Resource Budget (Budget)	2,946,277
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2,928,970
Annually Managed Expenditure (AME)	17,307

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	98,717
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	249,328
capital grants	485,796
European Union income related to capital grants	-
supported capital expenditure (revenue)	67
capital spending by levy funded bodies	846
unallocated capital provision	-
Other adjustments	54,997
Capital Budget (Budget)	889,751
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	888,905
Annually Managed Expenditure (AME)	846

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Helen Ghosh, Accounting Officer and Permanent Head of Department

Helen Ghosh as the Accounting Officer of the Department for Environment, Food and Rural Affairs has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Environment, Food and Rural Affairs.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme England Guarantee Section as economically, efficiently and effectively as possible.	
Administration	250,602
<i>of which:</i>	
Sale of goods and services	250,602
Programme	1,062,750
<i>of which:</i>	
Sale of goods and services	16,209
Regulatory licences, fines, penalties and taxes	22,205
EU income	3,284,603
Interest and Dividends	17,689
CFERs	-2,282,356
Other income (including receipts)	4,400
Total RfR1	1,313,352 †

† Amount that may be applied as appropriation 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 vaccines relating to Brucellosis and Tuberculosis eradication. Receipts from fees and charges on Local Veterinary Inspectors work; public enquiries on salmon, whaling and inland fisheries, certification testing, National List and plant breeders' rights, commissioned surveys, studies and advice. Repayments of ATB Landbase redundancy fund and loans, SFIA loan capital and refund of SFIA grants. Rental income from ATB Landbase and from land managed by the Minister. Receipts in respect of the tide gauge network; work carried out by the Veterinary Laboratories Agency and NIAB Redundancy Fund. Recovery of shellfish enquiry expenses.

Income from the provision of services to internal and external customers, including the secondment of staff and services to IBEA. Statutory receipts. Receipts from the sale or use of rights and assets. Rents from property. Receipts from the sale of information, including publications. Income from levies, licensing approvals, certification, inspections, registrations, supervision and extensification, Reimbursement of Defra expenditure, including EC receipts. Income from legal claims. Insurance recoveries. Other receipts and credits. Receipts in respect of environment protection and research (ex-DETR). Recovery of income from transfers, bulletins and for receipts for CAP market support and from European Community Institutions.

Total Operating A in A	1,313,352
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Analysis of non - operating appropriations in aid (A in A)

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme England Guarantee Section as economically, efficiently and effectively as possible.

Programme	12,035
<i>of which:</i>	
Sale of assets	12,035
Total RfR1	12,035 †

† Amount that may be applied as non-operating appropriations in aid, arising from: recovery of income from the sale of surplus land, buildings and other capital assets.

Total Non - operating A in A	12,035
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2007-08 provision	
	Income	Receipts
Rural Payments Agency EU Income Φ	2,064,751	2,184,751
Rural Payments Agency Sugar Levies Income \bullet	22,205	22,205
Excess Cash surrendered \bullet		75,610
Rural Development Programme England Income Φ	195,400	133,400
Total	2,282,356	2,415,966

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-17,506	17,506	4,309,389	-1,380,419	2,928,970
<i>of which:</i>					
Administration budget †	-	-	393,944	-	393,944
Near-cash in RDEL	-55,326	55,326	4,100,527	-1,515,601	2,584,926
Capital DEL ††	-8,385	8,385	661,010	227,895	888,905
Less Depreciation †††	-	-	-63,463	-137,819	-201,282
Total	-25,891	25,891	4,906,936	-1,290,343	3,616,593

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	1,325,387

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

RfR/Section	Body	£ '000
RfR1, A-D	Payments for Committees and Tribunals	58
RfR1, D	Funding to establish the Association of Commons Registration Officers	50

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1- O	Natural England ♥	202,766
RfR1- O	Commission for Rural Communities ♥	9,965
RfR1- M	Environment Agency ♥	701,830
RfR1- N	Food from Britain ♥	6,081
RfR1- P	Royal Botanic Gardens, Kew ♥	24,899
RfR1- O	National Forest Company ♣	4,100
RfR1- N	Gangmasters Licensing Authority ♥	3,310
RfR1- M	Consumer Council for Water ♥	6,500
RfR1- O	Joint Nature Conservation Committee ♣	1,920

Water Services Regulation Authority

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Regulation of the Water Industry			
<u>Section</u>	<u>Reason for change</u>		
<u>Other changes</u>			
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Thames Tideway Scheme			
A1	Following the decision by Ministers to proceed with the scheme Ofwat is required to spend an estimated £0.220m on commissioning engineering, legal, corporate finance and economics consultants to assess the options to finance, project manage, build and operate the multi billion pound Thames Tideway Scheme. This is additional expenditure required over the remaining months of 2007/08. The budget of the office has been increased by £0.220m. The expenditure will be offset by a special fee charged to Thames Water Services Limited.	220,000	
A5	Thames Water special fee chargeable regarding Thames Tideway Scheme.		-220,000
Competition Appeals Tribunal (CAT) hearings			
A1	Unavoidable expenditure has outstripped the original estimates due to the further work demanded by the CAT. Because of the complexity of the economic and legal arguments and their strategic importance Ofwat has had to commit an additional £0.220m in the sourcing of legal advice and counsel at the current CAT hearings.	220,000	
Competition Appeals Tribunal (CAT) Judgement			
A1	In February 2008 the CAT will announce its latest judgement relating to the water sector. The CAT's decision is expected to result in further unplanned expenditure estimated at up to £0.45m to be incurred by Ofwat in the current financial year.	450,000	
Enforcement action			
A1	During 2007/08 Ofwat gave notice of significant fines for some companies. The legal cost is estimated at £0.200m in the current financial year.	200,000	
Summer floods investigations			
A1	In June and July 2007 severe flooding took place in Yorkshire, Hull and Gloucestershire. Ofwat has started to investigate some of the infrastructure issues relating to the flood in Hull. There is an estimate of £0.100m to commission engineering consultants to carry out studies in Hull. This expenditure was not foreseeable and will be offset by a special fee charged to Yorkshire Water Ltd.	100,000	
A5	Yorkshire Water Ltd special fee chargeable regarding the summer floods investigations.		-100,000

A5	Utilisation of previous years underspends of licence fee receipts to offset unforeseeable cost pressures that have emerged during the financial year.			-870,000
	<u>Token increases</u>			
A1	Token increase to allow additional appropriations-in-aid to be included in the Estimate		1,000	
		<u>Total</u>	1,191,000	-1,190,000
	Total change in resources for RfR1			1,000
	Total change in resources for Estimate			1,000

Changes in Capital**RfR 1: Regulation of the Water Industry**

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
	<u>Changes related to movements in budgets</u>		
	<u>Take up of End Year Flexibility</u>		
A7	EYF take up of capital provision for expenditure on new IT infrastructure deferred from 2006-07.	117,000	
		<u>Total</u>	-
	Total change in capital for Estimate		117,000

- As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £870,000.
- Symbols are explained in the Introduction to this booklet.

Water Services Regulation Authority

Part I

		£
RfR 1: Regulation of the Water Industry	†	1,000
Total additional net resource requirement		1,000
Additional net cash requirement	†	870,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Water Services Regulation Authority on:

RfR 1: Regulation of the Water Industry

Administrative and operational costs and provision of customer representation and associated non-cash items

The **Water Services Regulation Authority** will account for this Estimate.

† Pending passage of the Appropriation Act urgent cash expenditure of £870,000 supporting the service provided for under section A1 will be met by a repayable advance from the Contingencies Fund. There are no implications for resources supporting the services provided for in the Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Regulation of the Water Industry

Spending in Departmental Expenditure Limits (DEL)

RfR 1 - A	Water Services Regulation Authority	1	1,191	1,190	1	2
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Total RfR 1

1,191	1,190	1
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Total Changes to RfRs

1,191	1,190	1
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£000

Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	400	117	517
Non-Operating A in A	-	-	-
Net cash requirement	558	870	1,428

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Regulation of the Water Industry							
14,191	-68	240	14,363	14,189	174	517	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Water Services Regulation Authority							
14,191	-	-	14,191	14,189	2	517	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
B Interest on Pension Scheme Liabilities							
-	-68	240	172	-	172	-	-
Total for Estimate:							
14,191	-68	240	14,363	14,189	174	517	-

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	173	1	174
Voted capital items			
Capital	400	117	517
<i>Less: Non-operating A in A</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total net voted capital	400	117	517
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	105	-	105
Depreciation	-190	-	-190
New provisions and adjustments to previous provisions	-240	125	-115
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-33	-	-33
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	181	627	808
Use of provisions	162	-	162
Total accruals to cash adjustments	-15	752	737
Excess cash to be CFERd	-	-	-
Net Cash Requirement	558	870	1,428

Part III: Extra receipts payable to the Consolidated Fund

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

	<u>Present provision</u>		<u>New provision</u>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	28,800	<i>8,500</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	-	-	28,800	<i>8,500</i>

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	2
Total Net Administration Costs	<u>2</u>
Net Programme Costs	
RfR1	172
Non-voted	-
Reduction in forecast operating costs not included in Estimate	-146
Total Net Programme costs	26
Total Net Operating Cost	28
<i>of which:</i>	
Net Resource Requirement	174
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in forecast operating costs not included in Estimate	-146
Resource Budget	28

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	174
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Reduction in planned spending unable to be included in the Estimate	-146
Other adjustments	-
Net Operating Costs (Accounts)	28
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	28
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2
Annually Managed Expenditure (AME)	26

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	517
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	517
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	517
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Regina Finn, Chief Executive

Regina Finn as the Accounting Officer of the Water Services Regulation Authority has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Transport.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Regulation of the Water Industry	
Administration	14,189
<i>of which:</i>	
Sale of goods and services	100
Regulatory licences, fines , penalties and taxes	14,089
Programme	-
<i>of which:</i>	
Pension scheme related income	-
Total RfR1	14,189 †
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the receipt of licence fees and income relating to the provision of support services to the Consumer Council for Water .</i>	
Total Operating A in A	14,189

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2007-08 provision	
	Income	Receipts
Fines and penalties●	28,800	8,500
Total	28,800	8,500

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1	-	2	-	2
<i>of which:</i>					
Administration budget*	-	-	1	-	1
Near-cash in RDEL	-20	-	-205	12	-193
Capital**	-	-	517		517
Less Depreciation†	-	-	-190	-	-190
Total	1	-	329	-	329

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	14,189

Department for Culture, Media and Sport

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Improving the quality of life through cultural and sporting activities			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
I2	Other resource (near- cash) - Increase in provision to meet pressures on the research budget	4,000	
<u>Take up of Departmental Unallocated Provision</u>			
I2	Drawdown of near-cash resource unallocated provision for the Participation Survey	1,229,000	
W2	Drawdown of non-cash resource unallocated provision to cover the depreciation costs of Culture Online	6,975,000	
<u>Changes in operating appropriations-in-aid (not offset by changes in spending)</u>			
I5	Increase in capital grant income from tenants		-70,000
<u>Other Changes in DEL Spending</u>			
B2	Increase in programme costs arising from reclassification of the Government Art collection expenditure from administration costs	4,000	
I1	Decrease in administration costs arising from reclassification of Government Art collection expenditure to programme		-4,000
<u>Other changes</u>			
<u>Transfers to/from non-voted spending</u>			
A3	Transfer from non-voted Museums, galleries and libraries to the National Coal Mining Museum to stabilise a collapsed mine	150,000	
B2	Transfer from non-voted Arts resources to fund Art Co.	366,000	
B2	Transfer from non-voted Arts resources to fund "Take it away"	625,000	
I1	Transfer from non-voted Museums, galleries and libraries for the Participation Survey	433,000	

D2	Transfer to non-voted Regional Cultural Consortiums for Creative Programmers	-29,000
D2	Transfer to non-voted Museums galleries and libraries for E-Journal Universe	-10,000
<u>Changes in non-budget spending</u>		
P3	Increase in grant-in-aid for UK Sport to support non- voted spending, funded in budgetary terms by a transfer from non-voted LOCOG.	3,100,000
Q3	Increase in grant-in-aid for English Heritage to support non- voted spending ,funded in budgetary terms by a transfer from non-voted LOCOG.	200,000
Q3	Increase in grant-in-aid for English Heritage to finance relocation costs, funded in budgetary terms by a transfer from non-voted LOCOG.	1,500,000
N3	Increase in grant -in -aid for British Library to finance the restructuring of its Document Supply service, funded in budgetary terms by a transfer from non-voted LOCOG.	1,500,000
M3	Increase in grant- in- aid for Regional Cultural Consortiums to finance Creative Programmers	29,000
N3	Increase in grant- in- aid for Museums, galleries and libraries to finance resource E-Journal Universe	10,000
N3	Increase in grant-in-aid for Museums, galleries and libraries to finance take up of resource departmental unallocated provision to meet resource spending plans	62,000
N3	Increase in grant-in-aid for Museums, galleries and libraries to finance take up of capital departmental unallocated provision to meet capital spending plans	4,382,000
N3	Reduction in grant-in-aid for Museums galleries and libraries as a consequence of a transfer to voted resources for the National Coal Mining museum	-150,000
N3	Reduction in grant-in-aid for Museums galleries and libraries as a consequence of a transfer to voted capital for the Government Art Collection	-65,000
O3	Reduction in grant-in-aid for the Arts Council as a consequence of a transfer to voted resources for Art Co.	-366,000
O3	Reduction in grant-in-aid for the Arts Council as a consequence of a transfer to voted resources for "Take it away".	-625,000

N3	Reduction in grant-in-aid for Museums galleries and libraries as a consequence of a transfer to voted resources for the Participation Survey		-433,000
V3	Increase in grant-in-aid for Olympic Delivery Authority to finance the take up of non-voted Capital DEL end-year Flexibility.	20,000,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
B2/B5	Increased in expenditure on Youth Music offset by increased receipts from the DCSF	1,000,000	-1,000,000
D2/D5	Decreased receipts and equivalent decrease in expenditure following a recording error in the Winter Supplementary Estimate	-2,986,000	2,986,000
F2/F5	Increased expenditure on Royal Parks offset by increased receipts from a donation	50,000	-50,000
I1/I5	Increase in Administration costs off set by an increase in administration receipts from GLA	75,000	-75,000
I1/I5	Increase in Administration costs off set by an increase in administration receipts from the RPA	20,000	-20,000
I1/I5	Increase in Administration costs off set by an increase in administration receipts from a rate rebate & Travel and Subsistance	6,000	-6,000
I2/I5	Increase in receipts from research bodies allowing for an increase in research expenditure	4,000	-4,000
L3/L5	Increase in receipts from LOCOG and the GLA offsetting expenditure of the Olympic Programme Support Unit	310,000	-310,000
		<u>Total</u>	<u>39,048,000</u>
Total change in resources for RfR1			-231,000
			38,817,000
Total change in resources for Estimate			38,817,000

Changes in Capital**Other changes**Transfers to/from non-voted spending

B7	Transfer of capital DEL provision to the Government Art Collection	65,000
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Other changes in DEL spending

I7	Increase in voted capital expenditure offset by an increase in Capital grant income	70,000
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Changes in non-operating appropriations-in-aid (fully offset by changes in spending)

F7/F8	Increased Capital expenditure by Royal Parks offset by increased receipts	200,000	-200,000
I7/I8	Receipts from the sale of land offset by an increase in capital expenditure	39,800,000	-39,800,000
		<u>Total</u>	<u>40,135,000</u>
	Total change in capital for Estimate		-40,000,000.
			135,000

- As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £31,977,000
- Symbols are explained in the Introduction to this booklet.

Department for Culture, Media and Sport

Part I

£

RfR 1: Improving the quality of life through cultural and sporting activities 38,817,000

Total additional net resource requirement 38,817,000

Additional net cash requirement 31,977,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for Culture, Media and Sport on:

RfR 1: Improving the quality of life through cultural and sporting activities

Support for national and other museums and galleries; the Government Indemnity Scheme; the British Library and other library and archive institutions and services ; to the Arts and Sports Councils and for other arts and sports bodies and schemes; the Royal Palace and Parks; historic buildings, ancient monuments and sites, certain public buildings, and national heritage and architecture, and VAT grant scheme for memorials; listed places of worship scheme; promotion of tourism; support to film bodies and projects; sponsorship of the music industry; the Welsh Fourth Channel Authority; the Office of Communications and certain broadcasting services and schemes; alcohol, gambling, film and video licensing; related research, surveys and other services; central administration costs; expenses of the National Lottery Commission; commemorative services, memorials and Royal funerals; support for the provision of humanitarian assistance to those affected by major disasters; costs to support delivery of the Olympic Games 2012; expenses of Privatising the Tote and associated non-cash items.

RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities

Payments to the British Broadcasting Corporation for broadcasting and other services and activities; and associated non-cash items

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

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Improving the quality of life through cultural and sporting activities					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Museums, galleries and libraries	8,998	150	-	150	9,148
RfR 1- B Arts	2,857	1,995	1,000	995	3,852
RfR 1- D Architecture and Historic Environment	8,534	-3,025	-2,986	-39	8,495
RfR 1- F The Royal Parks	19,992	50	50	-	19,992
RfR 1- I Administration, Research and other surveys	56,705	1,767	175	1,592	58,297
RfR 1- L Olympics	3,315	310	310	-	3,315
Non-budget					
RfR 1-M Regional Cultural Consortiums	2,120	29	-	29	2,149
RfR 1- N Museums, galleries and libraries	529,023	5,244	-	5,244	534,267
RfR 1- O Arts	423,246	-991	-	-991	422,255
RfR 1- P Sport	189,873	3,100	-	3,100	192,973
RfR 1- Q Architecture and Historic Environment	173,621	1,762	-	1,762	175,383
RfR 1- V London 2012	255,451	20,000	-	20,000	275,451
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1- W Culture Online	-	6,975	-	6,975	6,975
Total RfR 1		37,366	-1,451	38,817	
Total Changes to RfRs		37,366	-1,451	38,817	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	5,795	40,135	45,930
Non-Operating A in A	-	40,000	40,000
Net cash requirement	4,747,492	31,977	4,779,469

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000	
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Improving the quality of life through cultural and sporting activities								
	56,652	56,499	1,838,071	1,951,222	32,096	1,919,126	45,930	40,000
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Museums, galleries and libraries	-	465	8,683	9,148	-	9,148	-
B	Arts	-	3,436	1,428	4,864	1,012	3,852	265
C	Sport	-	1,490	7,166	8,656	50	8,606	-
D	Architecture and Historic Environment	-	1,172	7,326	8,498	3	8,495	600
E	Listed places of worship scheme	-	5,250	10,000	15,250	-	15,250	-
F	The Royal Parks	-	33,042	-	33,042	13,050	19,992	700
G	Tourism	-	63	1,900	1,963	-	1,963	-
H	Broadcasting and media	-	1,125	3,383	4,508	-	4,508	-
I	Administration, Research and other surveys	56,652	3,481	-	60,133	1,836	58,297	44,365
J	National Lottery Commission	-	-	-	-	14,000	-14,000	-
K	Gambling, licensing and horseracing	-	-	-	-	1,835	-1,835	-
L	Olympics	-	-	3,625	3,625	310	3,315	-
Non-budget								
M	Regional Cultural Consortiums	-	-	2,149	2,149	-	2,149	-
N	Museums, galleries and libraries	-	-	534,267	534,267	-	534,267	-
O	Arts	-	-	422,255	422,255	-	422,255	-
P	Sport	-	-	192,973	192,973	-	192,973	-
Q	Architecture and Historic Environment	-	-	175,383	175,383	-	175,383	-

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000	
	1	2	3	4	5	6	7	8	
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
R	Tourism	-	-	54,250	54,250	-	54,250	-	-
S	Broadcasting and media	-	-	119,421	119,421	-	119,421	-	-
T	National Lottery Commission	-	-	14,083	14,083	-	14,083	-	-
U	Gambling, licensing and horseracing	-	-	4,328	4,328	-	4,328	-	-
V	London 2012	-	-	275,451	275,451	-	275,451	-	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
W	Culture Online	-	6,975	-	6,975	-	6,975	-	-
RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities									
		-	-	2,856,110	2,856,110	-	2,856,110	-	-
Non-Budget									
A	Home Broadcasting	-	-	2,856,110	2,856,110	-	2,856,110	-	-
Total for Estimate:									
	56,652	56,499	4,694,181	4,807,332	32,096	4,775,236	45,930	40,000	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	4,736,419	38,817	4,775,236
Voted capital items			
Capital	5,795	40,135	45,930
<i>Less: Non-operating A in A</i>	-	40,000	40,000
Total net voted capital	5,795	135	5,930
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,580	-	-2,580
Depreciation	-5,942	-6,975	-12,917
New provisions and adjustments to previous provisions	4	-	4
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	13,796	-	13,796
Use of provisions	-	-	-
Total accruals to cash adjustments	5,278	-6,975	-1,697
Excess cash to be CFERd	-	-	-
Net Cash Requirement	4,747,492	31,977	4,779,469

Part III: Extra receipts payable to the Consolidated Fund

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

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	2,856,300	<i>2,856,300</i>	2,856,300	<i>2,856,300</i>
Non-operating income not classified as A in A	-	-	45,200	<i>45,200</i>
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	2,856,300	<i>2,856,300</i>	2,901,500	<i>2,901,500</i>

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	55,570
RfR2	-
Total Net Administration Costs	55,570
Net Programme Costs	
RfR1	1,863,556
RfR2	2,856,110
Non-voted	<u>-2,856,300</u>
Total Net Programme costs	1,863,366
Total Net Operating Cost	1,918,936
<i>of which:</i>	
Net Resource Requirement	4,775,236
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-2,856,300
Resource Budget	5,723,513

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	4,775,236
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-2,856,300
Other adjustments	-
Net Operating Costs (Accounts)	1,918,936
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-23,282
European Union income related to capital grants	-
voted expenditure outside the budget	-2,856,110
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,856,300
resource consumption of non departmental public bodies	2,787,698
unallocated resource provision	7,870
Other adjustments	1,032,101
Resource Budget (Budget)	5,723,513
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,607,412
Annually Managed Expenditure (AME)	4,116,101

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	5,930
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-45,200
capital spending by non departmental public bodies	578,141
capital grants	23,282
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	650,406
Capital Budget (Budget)	1,212,559
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	522,353
Annually Managed Expenditure (AME)	690,206

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Jonathan Stephens, Permanent Head of the Department

Request for Resources 2 Jonathan Stephens, Permanent Head of the Department

Jonathan Stephens as the Accounting Officer of the Department for Culture, Media and Sport has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department of Culture, Media and Sport.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

RfR 1: Improving the quality of life through cultural and sporting activities

Administration	1,152
<i>of which:</i>	
Sale of goods and services	1,152
Programme	30,944
<i>of which:</i>	
Sale of goods and services	15,106
Insurance Reimbursements	3
Receipts from National Lottery commission & Gambling commission	15,835
Total RfR1	32,096 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts by the Government Art Collection from the sale of prints, hire of transparencies, copyright fees, etc; recovery of ceremonial costs; recovery of costs of repairs to listed buildings; fees and charges for licences and receipts from concessionaires and sponsors; proceeds from the sale of properties; proceeds from the early release of office leases; Royal Parks Agency fees and charges for licences, rents, gardening services, sports charges, unclaimed lost property, sponsorship and receipts for private use of telephones, and proceeds from the sale of properties; repayment of loans in connection with film development projects, fees for self help TV transmission licences, EU receipts; receipts from the National Lottery Distribution Fund to meet the costs of its administration by the Department for Culture, Media and Sport and of the expenses of the National Lottery Commission; receipts from the National Lottery operator's licence fees; and recoveries from the issue of licensing certificates for gaming machines and operators of gaming establishments;

recovery of cost and proceeds arising from the sale of the Tote; receipts associated with the Olympic Games 2012; and donations from members of the public.

Total Operating A in A	32,096
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Analysis of non - operating appropriations in aid (A in A)

RfR 1: Improving the quality of life through cultural and sporting activities

Programme	40,000
<i>of which:</i>	
Sale of land	39,800
Sale of Assets	200
Total RfR1	40,000 †

† Amount that may be applied as non-operating appropriations in aid arising from: receipts from the sale of land, buildings assets and capitalised leases

Total Non-Operating A in A	40,000
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2007-08 provision	
		Income	Receipts
Licence fee receipts (BBC and FLA)	●	2,856,300	2,856,300
Land disposal proceeds	△	45,200	45,200
Total		2,901,500	2,901,500

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	9,593	-9,589	101,284	1,506,128	1,607,412
<i>of which:</i>					
Administration budget †	-4	-	55,570	-	55,570
Near-cash in RDEL	2,618	-2,614	85,791	1,333,012	1,418,803
Capital DEL ††	215	19,785	29,212	493,141	522,353
Less Depreciation †††	-6,975	6,975	-12,917	-88,813	-101,730
Total DEL	2,833	17,171	117,579	1,910,456	2,028,035

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	92,096

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1- C3	Chess	60
RfR1- D3	Chatham Historical Dockyard Trust	300
RfR1- N3	Geffrye Museum	1,956
RfR1- N3	Horniman Museum and Gardens	4,350
RfR1- N3	Museum of Science and Industry in Manchester	4,171
RfR1- N3	Museums, Libraries and Archives Council	14,684
RfR1- O3	Arts Council of England	422,255
RfR1- S3	UK Film Council	25,110

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1- M3	Regional Cultural Consortiums ♣	2,149
RfR1- N3	British Museum ♦	44,898
RfR1- N3	Natural History Museum ♥	55,165
RfR1- N3	Imperial War Museum ♦	22,177
RfR1- N3	National Gallery ♥	25,566
RfR1- N3	National Maritime Museum ♥	18,411
RfR1- N3	National Museums and Galleries on Merseyside ♥	21,826
RfR1- N3	National Portrait Gallery ♥	7,038
RfR1- N3	National Museum of Science and Industry ♥	38,484
RfR1- N3	Tate Gallery ♥	35,929
RfR1- N3	Victoria & Albert Museum ♥	42,570
RfR1- N3	Wallace Collection ♥	4,156
RfR1- N3	Museum of Science & Industry in Manchester ♣	4,171
RfR1- N3	Museum of London ♦	8,809
RfR1- N3	Sir John Soane's Museum ♥	1,072
RfR1- N3	Horniman Museum and Gardens ♣	4,350
RfR1- N3	Geffrye Museum ♣	1,956
RfR1- N3	Royal Armouries ♥	8,461
RfR1- N3	British Library ♥	104,411
RfR1- N3	Public Lending Right ♥	7,682
RfR1- N3	Museums, Libraries and Archives Council (MLA) ♣	14,784
RfR1- O3	Arts Council ♥	422,255
RfR1- P3	Sport England ♥	113,296
RfR1- P3	United Kingdom Sports Council ♥	67,305
RfR1- P3	Football Licensing Authority ♥	1,261
RfR1- Q3	English Heritage ♥	136,821
RfR1- Q3	Churches Conservation Trust ♣	3,062
RfR1- Q3	National Heritage Memorial Fund ♥	10,002
RfR1- Q3	Commission for Architecture & Built Environment ♥	4,690
RfR1- Q3	Royal Household ♣	16,107
RfR1- R3	Visit Britain ♥	50,650
RfR1- S3	UK Film Council ♣	25,110
RfR1- S3	S4C ♣	94,311
RfR1- T3	National Lottery Commission ♥	14,001
RfR1- U3	The Gambling Commission ♥	4,220
RfR1- V3	London 2012 ♥	275,451
Total		1,712,607

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
British Library	68,250
British Museum	80,240
English Heritage	69,574
Geffrye Museum	790
Horniman Museum and Gardens	100
Imperial War Museum	22,519
Museum of Science and Industry (Manchester)	5,000
National Gallery	1,583,554
National Maritime Museum	28,414
National Museums and Galleries on Merseyside	152,000
National Museum of Science and Industry	120,520
National Portrait Gallery	43,201
Natural History Museum	14,840
Royal Armouries	5,679
Sir John Soane Museum	1,000
South Bank Centre	93,423
Tate Gallery	2,019,915
Victoria and Albert Museum	159,874
Wallace Collection	20,000
Government Art Collection	2,532

Department for Work and Pensions

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes in Budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
A1	Administration, Near-Cash Transfer from non-voted Unallocated Provision to support expenditure on the Child Support Agency Operational Improvement Plan.	104,900,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A1	Administration, Near-Cash Redistribution from RfR2, RfR3 and RfR5 of IS/IT costs.	22,000,000	
A1	Administration, Near-Cash Transfer from RfR5 to support expenditure on the Child Support Agency Operational Improvement Plan.	10,000,000	
A2	Other Current, Near-Cash Transfer from RfR5 of Efficiency Challenge Funding in respect of the Child Support Agency.	8,797,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A1, A5	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £268,000.		
A2, A5	Other Current, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £26,000.		
		<u>Total</u>	
Total change in resources for RfR1		145,697,000	-
			145,697,000

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
A1	Administration, Near-Cash Transfer of Disability Rights Commission sponsorship functions to the Government Equalities Office.		-88,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
N3	Grants, Near-Cash Revised forecast of expenditure on Severe Disablement Allowance.	8,000,000	
T3	Grants, Near-Cash Revised forecast of expenditure on Employment Allowances.	23,000,000	
W3	Grants, Near-Cash Revised forecast of expenditure on rent rebates.	160,000,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A1	Administration, Near-Cash Redistribution to RfR1 of IS/IT costs.		-10,000,000
A1	Administration, Near-Cash Transfer from RfR5 to support expenditure on the Jobcentre Plus Change Programme.	129,000,000	
A1	Administration, Near-Cash Transfer from RfR5 in respect of redistribution of print budget following introduction of new Print and Associated Services contract.	1,000,000	
A2	Other Current, Near-Cash Transfer from RfR5 of Efficiency Challenge Funding in respect of Jobcentre Plus and Work, Welfare and Equality Group.	39,242,000	
F2	Other Current, Near-Cash Transfer from RfR5 of Efficiency Challenge Funding in respect of the Rent Service.	1,791,000	
<u>Resource transfers within the Request for Resources</u>			
A3	Grants, Near-Cash Provision reprioritised from Grants to Employment Programmes.		-4,000,000
B2	Other Current, Near-Cash Provision reprioritised from Grants to Employment Programmes.	4,000,000	

A1	Administration, Near-Cash Transfer of provision from Health and Safety Executive to Administration.	3,666,000	
A2	Other Current, Near-Cash Transfer of provision from Administration to Health and Safety Executive.		-4,976,000
C1	Administration, Near-Cash Transfer of provision from Health and Safety Executive to Administration.		-3,666,000
C2	Other Current, Near-Cash Transfer of provision from Administration to Health and Safety Executive.	4,976,000	
E2	Other Current, Non-Cash Capital charge provision reprioritised from Capital Grants to Local Authorities to European Social Fund.		-2,549,000
H2	Other Current, Non-Cash Capital charge provision reprioritised from Capital Grants to Local Authorities to European Social Fund.	2,549,000	
K3	Grants, Near-Cash Capital grants reprioritised from Capital Grants to Local Authorities to Jobcentre Plus Capital.		-2,895,000
	<u>Transfers to/from non-voted spending</u>		
A2	Other Current, Near-Cash Revised forecast for non-voted spend of Working Ventures (UK) Limited offset by a reduction in voted spend.		-1,461,000
	<u>Changes in non-budget spending</u>		
Z3	Grants, Near-Cash Increase in Grant in Aid to Working Ventures (UK) Limited.	526,000	
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>		
N3, N5	Grants, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £5,000.		
O3, O5	Grants, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £12,736,000.		
P3, P5	Grants, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £251,000.		
Q3, Q5	Grants, Near-Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure of £293,000.		
A1, A5	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £8,377,000.		

- A2, A5 Other Current, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £764,000.
- A3, A5 Grants, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £2,635,000.
- C1, C5 Administration, Near-cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £5,014,000.
- D1, D5 Administration, Near-Cash
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Administration expenditure of £368,000.
- B2, B5 Other Current, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £96,000.
- C2, C5 Other Current, Near-Cash
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure of £52,000.
- D2, D5 Other Current, Near-Cash
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure of £300,000.
- G3, G5 Grants, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £133,000.
- H3, H5 Grants, Near-Cash
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure of £36,177,000.
- L3, L5 Grants, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £862,000.
- M3, M5 Grants, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £5,182,000.

	<u>Total</u>	377,750,000	-29,635,000
Total change in resources for RfR2			348,115,000

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Changes in Annually Managed Expenditure (AME)</u>			
B3	Grants, Non-Cash Increase to the Financial Assistance Scheme provision.	5,061,000,000	
B3	Grants, Near-Cash Revised forecast of expenditure on Pension benefits.	7,000,000	
C3	Grants, Near-Cash Revised forecast of expenditure on Pension Credit.	76,000,000	
D3	Grants, Near-Cash Revised forecast of expenditure on TV licences.	10,000,000	
<u>Changes in operating appropriations-in-aid (not offset by changes in spending)</u>			
A5	Other Current, Near-Cash Decrease in Appropriations in Aid forecast for The Pensions Advisory Service offset by a reduction in non-voted spending.	41,000	
A5	Other Current, Near-Cash Increase in Appropriations in Aid forecast for The Pensions Ombudsman offset by an increase in non-voted spending.		-206,000
A5	Other Current, Near-Cash Increase in Appropriations in Aid forecast for The Pensions Regulator offset by an increase in non-voted spending.		-3,320,000
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A1	Administration, Near-Cash Redistribution to RfR1 of IS/IT costs.		-4,500,000
A1	Administration, Near-Cash Transfer from RfR5 to support expenditure on The Pension Service Change Programme.	60,000,000	
A2	Other Current, Near-Cash Transfer from RfR5 of Efficiency Challenge Funding in respect of The Pension Service.	31,476,000	
<u>Resource transfers within the Request for Resources</u>			
A3	Grants, Near-Cash Reclassification of Grant in Aid to Better Government for Older People from non-budget spending.	600,000	
A3	Grants, Near-Cash Revised forecast of Grant paid to the Pension Protection Fund offset by a reduction in Other Current.	4,733,000	

A2	Other Current, Near-Cash Revised forecast of Grant paid to the Pension Protection Fund offset by a reduction in Other Current.		-4,733,000
	<u>Transfers to/from non-voted spending</u>		
A2	Other Current, Near-Cash Revised forecast for non-voted spend of The Pensions Advisory Service offset by a reduction in voted spending.		-285,000
A2	Other Current, Near-Cash Revised forecast for non-voted spend of The Pensions Ombudsman offset by an increase in voted spending.	17,000	
A2	Other Current, Near-Cash Revised forecast for non-voted spend of The Pensions Regulator offset by an increase in voted spending.	4,159,000	
A2	Other Current, Near-Cash Forecast non-voted spend of the Personal Accounts Delivery Authority offset by a reduction in voted spending.		-6,532,000
	<u>Changes in non-budget spending</u>		
F3	Grants, Near-Cash Decrease in Grant in Aid to The Pensions Advisory Service.		-47,000
F3	Grants, Near-Cash Increase in Grant in Aid to The Pensions Ombudsman.	189,000	
F3	Grants, Near-Cash Decrease in Grant in Aid to The Pensions Regulator.		-342,000
F3	Grants, Near-Cash Grant in Aid to the Personal Accounts Delivery Authority.	6,532,000	
F3	Grants, Near-Cash Reclassification of Grant in Aid to Better Government for Older People to budget spending.		-600,000
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>		
A1, A5	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £1,772,000.		
A3, A5	Grants, Near-Cash A decrease in forecast Appropriations in Aid for the Pension Protection Fund leading to an equivalent decrease in Grant expenditure of £1,860,000.		
A2, A5	Other Current, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £643,000.		
		<u>Total</u>	
	Total change in resources for RfR3	5,261,747,000	-20,565,000
			5,241,182,000

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
H3	Grants, Near-Cash Transfer of the functions of the Disability Rights Commission to the Commission for Equality and Human Rights, sponsored by the Government Equalities Office.		-20,000,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
C3	Grants, Near-Cash Revised forecast of expenditure on Attendance Allowance.	162,000,000	
D3	Grants, Near-Cash Revised forecast of expenditure on Disability Living Allowance.	18,000,000	
E3	Grants, Near-Cash Revised forecast of expenditure on Carer's Allowance.	25,000,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A1	Administration, Near-Cash Redistribution from RfR5 of IS/IT costs.	1,000,000	
A2	Other Current, Near-Cash Transfer from RfR5 of Efficiency Challenge Funding in respect of the Disability and Carer's Service.	7,118,000	
<u>Resource transfers within the Request for Resources</u>			
G3	Grants, Near-Cash Reclassification of the Independent Living Fund to non-budget spending.		-288,439,000
<u>Changes in non-budget spending</u>			
H3	Grants, Near-Cash Reclassification of the Independent Living Fund from budget spending.	288,439,000	
H3	Grants, Near-Cash Revised forecast of expenditure on Grant paid to the Independent Living Fund.	12,600,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
C3, C5	Grants, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £131,000.		

D3, D5 Grants, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £521,000.

<u>Total</u>	514,157,000	-308,439,000
Total change in resources for RfR4		205,718,000

RfR 5: Corporate contracts and support services

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
A2	Other Current, Non-Cash Additional funding to cover non-cash costs. The funding has been vired from near-cash End-Year Flexibility stock, as recorded in the Public Expenditure Outturn White Paper (Cm 7156), to non-cash End-Year Flexibility stock.	45,000,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A1	Administration, Near-Cash Redistribution to RfR1 of IS/IT costs.		-7,500,000
A1	Administration, Near-Cash Redistribution to RfR4 of IS/IT costs.		-1,000,000
A1	Administration, Near-Cash Transfer to RfR1 to support expenditure on the Child Support Agency Operational Improvement Plan.		-10,000,000
A1	Administration, Near-Cash Transfer to RfR2 to support expenditure on the Jobcentre Plus Change Programme.		-129,000,000
A1	Administration, Near-Cash Transfer to RfR2 in respect of redistribution of print budget following introduction of new Print and Associated Services contract.		-1,000,000
A1	Administration, Near-Cash Transfer to RfR3 to support expenditure on the Pension Service Change Programme.		-60,000,000
A2	Other Current, Near-Cash Transfer to RfR1 of Efficiency Challenge Funding in respect of the Child Support Agency.		-8,797,000
A2	Other Current, Near-Cash Transfer to RfR2 of Efficiency Challenge Funding in respect of Jobcentre Plus and Work, Welfare and Equality Group.		-39,242,000
A2	Other Current, Near-Cash Transfer to RfR2 of Efficiency Challenge Funding in respect of the Rent Service.		-1,791,000

A2	Other Current, Near-Cash Transfer to RfR3 of Efficiency Challenge Funding in respect of The Pension Service.	-31,476,000
A2	Other Current, Near-Cash Transfer to RfR4 of Efficiency Challenge Funding in respect of the Disability and Carer's Service.	-7,118,000

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

A1, A5 Administration, Near-Cash
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Administration expenditure of £1,958,000.

A2, A5 Other Current, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £71,000.

	<u>Total</u>	45,000,000	-296,924,000
	Total change in resources for RfR5		-251,924,000
	Total change in resources for Estimate		5,688,788,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Changes related to movements in budgets

Take up of DEL End-Year Flexibility

A7	Capital Additional funding to support expenditure on The Pension Service Change Programme.	31,000,000	
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Transfers of budgetary cover to/from other government departments

A7	Capital Transfer from Northern Ireland Executive in respect of the Pensions Transformation Programme IT development costs.	4,935,000	
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Other changes

Transfers within the Estimate

A7	Capital Transfer from the Capital Unallocated Provision held in RfR5 to support Child Support Agency Capital expenditure.	5,000,000	
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A7	Capital Transfer from the Capital Unallocated Provision held in RfR5 to support expenditure on the Pensions Change Programme.	6,000,000	
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A7	Capital Transfer from the Capital Unallocated Provision held in RfR5 to support Disability and Carer's Service Capital expenditure.	100,000	
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A7	Capital Transfer to RfR1, RfR3 and RfR4 of the Capital Unallocated Provision held in RfR5.	-11,100,000
 <u>Resource transfers within the Request for Resources</u>		
A7	Capital Capital Grants reprioritised from Capital Grants to Local Authorities to Jobcentre Plus Capital.	2,895,000
A7	Capital Transfer provision from Health and Safety Executive to Administration.	810,000
C7	Capital Transfer provision from Health and Safety Executive to Administration.	-810,000.
 <u>Transfers to/from non-voted spending</u>		
A7	Capital Revised forecast for non-voted spend of The Pensions Advisory Service offset by a decrease in voted spending.	-5,000
A7	Capital Revised forecast for non-voted spend of The Pensions Ombudsman offset by a decrease in voted spending.	-17,000
A7	Capital Revised forecast for non-voted spend of The Pensions Regulator offset by a decrease in voted spending.	-474,000
 <u>Changes in non-operating appropriations-in-aid (fully offset by changes in spending)</u>		
C8	Capital A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Capital expenditure of £101,000.	
		<u>Total</u>
		50,740,000
		-12,406,000
Total change in capital for Estimate		38,334,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £621,122,000.

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

Department for Work and Pensions

Part I

		£
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	†*	145,697,000
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	†#	348,115,000
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	†	5,241,182,000
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	†#	205,718,000
RfR 5: Corporate contracts and support services	†	-251,924,000
Total additional net resource requirement		5,688,788,000
Additional net cash requirement	†	621,122,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for Work and Pensions on:

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years

The administration of the child support system; preliminary work relating to the Child Maintenance Enforcement Commission; and associated non-cash items.

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Assessment of entitlement to, calculation and payment of social security benefits to people of working age in accordance with the prevailing legislation and regulations; earnings top up pilot; job grant; back to work bonus; compensation payments to the National Insurance Fund in respect of Statutory Sick and Statutory Maternity Pay; 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; administration costs of payments and loans made from the Social Fund; measures to help people, particularly those on welfare and at a disadvantage in the labour market, into work; National Employment Panel; 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; payments and grants to private, public and voluntary bodies and local authorities towards the provision of supported employment or employment programmes; a Grant in Aid to Working Ventures UK; 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; development of the Employment Support Allowance; subsidies to housing, billing, levying and local authorities towards the costs incurred in administering the Housing Benefit and/or Council Tax Benefit schemes; rent rebate; rent allowance; Council Tax Benefit; payments in respect of anti-fraud and similar administrative measures; discretionary

Part I (*continued*)

housing payments; compensation for sufferers, or their dependants, of certain dust related diseases; The Rent Service Agency; the Health and Safety Commission (HSC) / Executive (HSE) and the Health and Safety Laboratory (HSL); grants to further health and safety in the workplace; the administration costs of the Work, Welfare and Equality Client Group; payments for education; training and employment projects assisted by the European Union and refunds to the European Union; the UK subscription to the International Labour Organisation; other international educational programmes; payments in respect of Local Area Agreements; measures to promote financial inclusion; contribution towards the costs of setting up the Commission for Employment and Skills; and associated non-cash items.

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Assessment of entitlement to, calculation and payment of social security benefits to pensioners and to customers abroad in accordance with the prevailing legislation and regulations; sums payable to fund payments and loans made by the Social Fund; the administration costs of payments and loans made from the Social Fund; costs associated with the collapse of private pension schemes; expenditure to assist people to make plans for their retirement; research into pensions; private pensions industry regulatory work; the administration of pilot programmes; programmes and new measures to help improve independence and social inclusion of older people; grants to voluntary bodies and local authorities towards the needs of older people; Grants in Aid to the Centre for Policy on Ageing, to the Pensions Advisory Service, to the Pension Protection Fund, to the Pensions Regulator, to the Office of the Pensions Ombudsman, to the Pensions Protection Fund Ombudsman, to the Personal Accounts Delivery Authority and for the administration costs of Better Government for Older People; payments made to the BBC in respect of over 75s free TV licence scheme; expenditure in respect of the Pensions Regulator, the Financial Assistance Scheme and preliminary work relating to the Personal Accounts Delivery Authority; payment of the General Levy to the Pensions Regulator in respect of Public Sector Pensions Schemes; and associated non-cash items.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Assessment of entitlement to, calculation and payment of social security benefits to people with disabilities and their carers in accordance with the prevailing legislation and regulations; a Grant to Motability; Grant in Aid to the Independent Living Fund; and associated non-cash items.

RfR 5: Corporate contracts and support services

Corporate administration; measures to promote financial inclusion; collecting debt arising from overpayments of benefit and on behalf of other public and private sector bodies; and associated non-cash items.

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

* 1) In RfR1:

Expenditure under subhead A1 of £ 1,312,000 is subject to the passage of the Child Maintenance and Other Payments Bill, which has been laid before Parliament. The provision sought will not be used for the service or for any other purpose, until the enabling legislation has been enacted.

2) In RfR2 and RfR4:

The Disability Rights Commission was transferred to the Commission for Equality and Human Rights (sponsored by the Government Equalities Office) on 1 October 2007. Within the overall changes sought in this Estimate, the specific changes relating to the machinery of government transfer are:

- 1) The net resource requirement for RfR2 is reduced by £88,000; and
- 2) The net resource requirement for RfR4 is reduced by £20,000,000; and
- 3) The net cash requirement is reduced by £20,088,000.

Part I (continued)

† 3) In RfR1, RfR2, RfR3, RfR4 and RfR5:

The reduction in the net resource requirement for RfR5 of £251,924,000 is offset by a reallocation of those resources as follows:

- 1) increase in RfR1 of £26,297,000
- 2) increase in RfR2 of £130,000,000
- 3) increase in RfR3 of £87,509,000
- 4) increase in RfR4 of £8,118,000

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	408,773	145,991	294	145,697	554,470
Total RfR 1		145,991	294	145,697	
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 2 - A Administration	2,722,114	164,159	11,776	152,383	2,874,497
RfR 2 - B Employment Programmes	772,383	4,096	96	4,000	776,383
RfR 2 - C Health and Safety Executive	227,382	6,272	4,962	1,310	228,692
RfR 2 - D Health and Safety Laboratory	-	-668	-668	-	-
RfR 2 - E Capital Grants	8,476	-2,549	-	-2,549	5,927
RfR 2 - F The Rent Service Executive Agency	35,502	1,791	-	1,791	37,293
RfR 2 - G European Social Fund and European Globalisation Fund	-	133	133	-	-
RfR 2 - H European Social Fund payments in advance of receipts	32,700	-33,628	-36,177	2,549	35,249
RfR 2 - K Capital grants to Local Authorities	2,895	-2,895	-	-2,895	-
RfR 2 - L European Social Fund	-	862	862	-	-
RfR 2 - M European Social Fund payments in advance of receipts	-	5,182	5,182	-	-
RfR 2 - N Severe Disablement Allowance	896,573	8,005	5	8,000	904,573
RfR 2 - O Industrial injury benefits	807,145	12,736	12,736	-	807,145
RfR 2 - P Income support (under 60 years of age)	8,785,000	251	251	-	8,785,000
RfR 2 - Q Jobseeker's allowance (income based)	2,051,295	-293	-293	-	2,051,295
RfR 2 - T Employment Allowances	84,297	23,000	-	23,000	107,297
RfR 2 - W Rent rebates	5,259,560	160,000	-	160,000	5,419,560
Non-budget					
RfR 2 - Z Working Age (Grants in Aid)	3,687	526	-	526	4,213
Total RfR 2		346,980	-1,135	348,115	

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners**Spending in Departmental Expenditure Limits (DEL)**

RfR 3 - A Administration	206,267	85,490	4,040	81,450	287,717
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Spending in Annually Managed Expenditure (AME)*Central Government spending*

RfR 3 - B Pension benefits	66,036	5,068,000	-	5,068,000	5,134,036
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RfR 3 - C Income support for the elderly and Pension Credit	7,327,054	76,000	-	76,000	7,403,054
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RfR 3 - D TV licences for the over 75s	503,078	10,000	-	10,000	513,078
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Non-budget

RfR 3 - F Pensions Grants in Aid	35,785	5,732	-	5,732	41,517
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Total RfR 3

5,245,222	4,040	5,241,182
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RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society**Spending in Departmental Expenditure Limits (DEL)***Central Government spending*

RfR 4 - A Administration	246,821	8,118	-	8,118	254,939
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Spending in Annually Managed Expenditure (AME)*Central Government spending*

RfR 4 - C Attendance Allowance	4,443,000	162,131	131	162,000	4,605,000
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RfR 4 - D Disability Living Allowance	9,959,000	18,521	521	18,000	9,977,000
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RfR 4 - E Carer's Allowance	1,271,787	25,000	-	25,000	1,296,787
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RfR 4 - G Grants to independent bodies	300,468	-288,439	-	-288,439	12,029
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Non-budget

RfR 4 - H Disability (Grants in Aid)	20,000	281,039	-	281,039	301,039
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Total RfR 4

206,370	652	205,718
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RfR 5: Corporate contracts and support services**Spending in Departmental Expenditure Limits (DEL)***Central Government spending*

RfR 5 - A Administration	1,078,810	-253,811	-1,887	-251,924	826,886
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Total RfR 5

-253,811	-1,887	-251,924
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Total Changes to RfRs

5,690,752	1,964	5,688,788
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	£000		
	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	64,317	38,233	102,550
Non-Operating A in A	12,820	-101	12,719
Net cash requirement	67,846,092	621,122	68,467,214

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years								
547,839	8,823	-	556,662	2,192	554,470	5,000	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
547,839	8,823	-	556,662	2,192	554,470	5,000	-	
Spending in Annually Managed Expenditure								
<i>Central Government spending</i>								
B Impairments								
-	-	-	-	-	-	-	-	
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need								
3,487,073	1,062,195	35,983,826	40,533,094	1,851,593	38,681,501	27,772	394	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
3,196,355	153,220	49,871	3,399,446	524,949	2,874,497	17,310	-	
B Employment Programmes								
-	682,389	94,230	776,619	236	776,383	-	-	
C Health and Safety Executive								
223,324	63,649	-	286,973	58,281	228,692	7,989	374	
D Health and Safety Laboratory								
31,892	4,937	-	36,829	36,829	-	1,800	20	
E Capital Grants								
-	-	5,927	5,927	-	5,927	-	-	
F The Rent Service Executive Agency								
35,502	1,791	-	37,293	-	37,293	673	-	
G European Social Fund and European Globalisation Fund								
-	-	5,041	5,041	5,041	-	-	-	
H European Social Fund payments in advance of receipts								
-	35,249	578,604	613,853	578,604	35,249	-	-	
Support for Local Authorities								
I Employment Programmes								
-	-	37,047	37,047	-	37,047	-	-	
J Housing benefit and council tax benefit administration grants								
-	-	680,200	680,200	-	680,200	-	-	
K Capital grants to Local Authorities								
-	-	-	-	-	-	-	-	
L European Social Fund								
-	-	1,762	1,762	1,762	-	-	-	
M European Social Fund payments in advance of receipts								
-	-	44,594	44,594	44,594	-	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
N Severe Disablement Allowance								
-	-76	904,953	904,877	304	904,573	-	-	
O Industrial injury benefits								
-	-74	858,728	858,654	51,509	807,145	-	-	
P Income support (under 60 years of age)								
-	116,830	8,801,869	8,918,699	133,699	8,785,000	-	-	

Part II: Revised subhead detail including additional provision

	Resources					Capital		£'000
	1	2	3	4	5	6	7	8
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
Q Jobseeker's allowance (income based)	-	1,003	2,051,483	2,052,486	1,191	2,051,295	-	-
R Jobseeker's allowance (contribution based)	-	-	414,594	414,594	414,594	-	-	-
S Job Grant	-	-	47,936	47,936	-	47,936	-	-
T Employment Allowances	-	-	107,297	107,297	-	107,297	-	-
U Housing and Council tax benefit capital charge	-	3,277	-	3,277	-	3,277	-	-
Support for Local Authorities								
V Housing benefit and council tax benefit subsidies	-	-	14,143,852	14,143,852	-	14,143,852	-	-
W Rent rebates	-	-	5,419,560	5,419,560	-	5,419,560	-	-
X Discretionary housing payments	-	-	20,000	20,000	-	20,000	-	-
Non-budget								
Y Statutory benefits (SSP and SMP)	-	-	1,712,065	1,712,065	-	1,712,065	-	-
Z Working Age (Grants in Aid)	-	-	4,213	4,213	-	4,213	-	-
Spending in Annually Managed Expenditure								
<i>Central Government spending</i>								
AA Impairments	-	-	-	-	-	-	-	-
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners								
	663,476	30,844	15,610,325	16,304,645	428,960	15,875,685	45,079	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration	663,476	31,575	21,626	716,677	428,960	287,717	45,079	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B Pension benefits	-	-5	5,134,041	5,134,036	-	5,134,036	-	-
C Income support for the elderly and Pension Credit	-	-726	7,403,780	7,403,054	-	7,403,054	-	-
D TV licences for the over 75s	-	-	513,078	513,078	-	513,078	-	-
Non-budget								
E Payments to the Social Fund	-	-	2,496,283	2,496,283	-	2,496,283	-	-
F Pensions Grants in Aid	-	-	41,517	41,517	-	41,517	-	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
G Impairments	-	-	-	-	-	-	-	-

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society								
247,875	6,979	16,220,651	16,475,505	25,411	16,450,094	100	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
247,875	7,222	-	255,097	158	254,939	100	-	
B Motability administration								
-	160	3,274	3,434	634	2,800	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
C Attendance Allowance								
-	-403	4,607,583	4,607,180	2,180	4,605,000	-	-	
D Disability Living Allowance								
-	-	9,999,439	9,999,439	22,439	9,977,000	-	-	
E Carer's Allowance								
-	-	1,296,787	1,296,787	-	1,296,787	-	-	
F Vaccine Damage Payments								
-	-	500	500	-	500	-	-	
G Grants to independent bodies								
-	-	12,029	12,029	-	12,029	-	-	
Non-budget								
H Disability (Grants in Aid)								
-	-	301,039	301,039	-	301,039	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
I Impairments								
-	-	-	-	-	-	-	-	
RfR 5: Corporate contracts and support services								
1,020,197	119,522	-	1,139,719	312,833	826,886	24,599	12,325	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
1,020,197	119,522	-	1,139,719	312,833	826,886	24,599	12,325	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B Impairments								
-	-	-	-	-	-	-	-	
Total for Estimate:								
5,966,460	1,228,363	67,814,802	75,009,625	2,620,989	72,388,636	102,550	12,719	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	66,699,848	5,688,788	72,388,636
Voted capital items			
Capital	64,317	38,233	102,550
<i>Less:</i> Non-operating A in A	12,820	-101	12,719
Total net voted capital	51,497	38,334	89,831
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-54,966	-	-54,966
Depreciation	-153,023	-	-153,023
New provisions and adjustments to previous provisions	-97,022	-5,106,000	-5,203,022
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-1,074	-	-1,074
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	809,945	-	809,945
Increase(-)/decrease (+) in creditors	520,000	-	520,000
Use of provisions	70,887	-	70,887
Total accruals to cash adjustments	1,094,747	-5,106,000	-4,011,253
Excess cash to be CFERd	-	-	-
Net Cash Requirement	67,846,092	621,122	68,467,214

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	545,673
RfR2	3,385,072
RfR3	652,565
RfR4	247,821
RfR5	984,235
Total Net Administration Costs	5,815,366
Net Programme Costs	
RfR1	8,797
RfR2	35,296,429
RfR3	12,726,837
RfR4	16,202,273
RfR5	-157,349
Non-voted	69,806,960
Total Net Programme costs	133,883,947
Total Net Operating Cost	139,699,313
<i>of which:</i>	
Net Resource Requirement	72,388,636
Non-voted expenditure	69,806,960
Consolidated Fund Extra Receipts	-
Resource Budget	139,692,511

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	72,388,636
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	69,806,960
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-2,496,283
Net Operating Costs (Accounts)	139,699,313
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
Capital grants	-9,388
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	
resource consumption of non-departmental public bodies	1,676
unallocated resource provision	
Other adjustments	910
Resource Budget (Budget)	139,692,511
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	7,758,149
Annually Managed Expenditure (AME)	131,934,362

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	89,831
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	891
capital grants	9,388
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	154,369
Capital Budget (Budget)	254,479
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	100,110
Annually Managed Expenditure (AME)	154,369

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Leigh Lewis, Permanent Head of the Department
Request for Resources 2	Leigh Lewis, Permanent Head of the Department
Request for Resources 3	Leigh Lewis, Permanent Head of the Department
Request for Resources 4	Leigh Lewis, Permanent Head of the Department
Request for Resources 5	Leigh Lewis, Permanent Head of the Department

Leigh Lewis as the Accounting Officer of the Department for Work and Pensions has personal responsibility for the proper presentation of the Department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The Accounting Officer as the permanent head, remains in general overall charge of the Department for Work and Pensions.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives, and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	<u>2007-08 Provision</u>
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	
Administration	2,166
<i>of which:</i>	
Sale of goods and services	2,166
Programme	26
<i>of which:</i>	
Sale of goods and services	26
Total RfR1	2,192 †

† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from staff for private telephone calls; receipts from staff towards the costs of private use of official vehicles; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from other departments/organisations in respect of outward secondments; receipts from the sale of non-capital items; receipts from applicants for services provided by the Child Support Agency and receipts from the repayment of maintenance by non-resident parents, where the parent with care is in receipt of income support, reduced by the child maintenance premium paid directly to the parent with care.

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Administration	102,001
<i>of which:</i>	
Sale of goods and services	102,001
Programme	1,749,592
<i>of which:</i>	
Sale of goods and services	971,462
EU income	630,001
CFERs	-
Other income (including receipts)	148,129
Total RfR2	1,851,593 †

† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated cost of administering National Insurance benefits; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from staff for private telephone calls; receipts from staff towards the costs of private use of official vehicles; receipts from mortgage lenders; receipts from other departments/organisations in respect of outward secondments; receipts from the sale of non-capital items; receipts from match funded projects; the recovery of the cost of administering allowance payments for work based learning for adults in Scotland and Wales; proceeds from crime from Home Office in respect of benefit fraud and organised fraud; contribution from Scotland and Wales towards employment programmes and Employment Zones; receipts from Local Authorities for services provided to them by Departmental Action teams, including Neighbourhood Renewal Funds, rent and similar receipts;

receipts from outside bodies in respect of partnership working in New Deal for Community areas; recovery from the EC of the costs of work on European Employment Services (EURES) and work undertaken on labour market issues in eastern Europe; receipts from the EU for travel expenses and subsistence allowances incurred by staff on European Union business; receipts from selling services under the Wider Markets Initiative; receipts from partner organisations in respect of action teams;

the recovery of excess payments made on Jobcentre Plus employment measures; receipts from damages payable to recipients of Statutory Sick Pay; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; payments on return to work after a trade dispute made to people who would normally be excluded from Income Support because they are in full time work; payments by liable relatives; amounts collected through a court order or on a voluntary basis from relatives of income support claimants; receipts from the Child Support Agency of payments of maintenance from absent parents for parents with care who are in receipt of Income Support or Jobseeker's Allowance (income based); repayment of Jobseeker's Allowance (contribution based) from the National Insurance Fund;

receipts in respect of the Health and Safety Commission (HSC)/Executive (HSE) and the Health and Safety Laboratory (HSL), including fees and charges levied, receipts for research, administrative services, testing, fee paying enquiries, dissemination of information, royalties, the loan and hire of equipment, seminars, patent rights, conferences and publications (in print and non-print media); payments from other government departments, agencies, non-departmental public bodies and overseas governments; sales of land and buildings, water, stores, plant, equipment, machinery and vehicles; recoveries of seconded staff salaries; receipts for the use of accommodation, rental income, receipts from property and land, sponsorship, including contributions from co-sponsors towards the costs of research and surveys carried out;

recoveries from the European Union in respect of travelling expenses and subsistence allowances incurred by staff on European Union business; contributions and recoveries from the European Union of costs of research and projects, legal claims, including awards of court costs and out of court settlements; refunds of advance of salaries of staff and repayment of loans; receipts from the EC to meet payments to Local Authorities and non-exchequer bodies for education and training and employment projects training assisted by the European Social Fund; receipts from the European Globalisation Fund; Joint International Unit administration receipts; payments from the Department for Education and Skills; refunds from Local Authorities of Housing Benefit Reform Funding; National Employment Panel receipts.

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Administration	10,911
<i>of which:</i>	
Sale of goods and services	10,911
Programme	418,049
<i>of which:</i>	
Sale of goods and services	418,049

Total RfR3	428,960 †
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† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated costs of administering NI benefits, services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from other departments/organisations in respect of outward secondments; receipts for levy funded bodies; receipts from mortgage lenders; receipts from selling services under the Wider Markets Initiative; receipts from staff for private telephone calls; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; receipts from staff towards the cost of private use of official vehicles.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Administration	54
<i>of which:</i>	
Sale of goods and services	54
Programme	25,357
<i>of which:</i>	
Sale of goods and services	25,197
Other income (including receipts)	160
Total RfR4	25,411 †

† Amount that may be applied as appropriations in aid in addition to the net total arising from: services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from other departments/organisations in respect of outward secondments; receipts from staff for private telephone calls; receipts from staff towards the cost of the use of official vehicles; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; recoveries of payments towards Motability's car adaptation/conversion and administration costs.

RfR 5: Corporate contracts and support services

Administration	35,962
<i>of which:</i>	
Sale of goods and services	35,962
Programme	276,871
<i>of which:</i>	
Sale of goods and services	276,871
Interest and dividends	-
Total RfR5	312,833 †

† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated cost of administering NI benefits; services carried out on behalf of public and private sector bodies and members of the public including the provision of employee and financial services to a range of other Government Departments; receipts from mortgage lenders; receipts for the bulk letter forwarding service; receipts from other departments/organisations in respect of outward secondments; receipts from staff for private telephone calls; receipts from staff towards the costs of private use of official vehicles; recovery of law costs from defendants; receipts from sub-let accommodation; receipts from sale of non-capital items; receipts from Working Links, Working Links management fee and dividend; Early Departures pre-funding interest.

Total Operating A in A	2,620,989
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Analysis of non - operating appropriations in aid (A in A)

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Programme	394
<i>of which:</i>	
Sale of assets	394

Total RfR2	394 †
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† Amount that may be applied as non-operating appropriations in aid arising from: receipts from the sales of obsolete machinery, equipment, official vehicles, furniture and buildings.

RfR 5: Corporate contracts and support services

Programme	12,325
<i>of which:</i>	
Sale of assets	12,325

Total RfR5	12,325 †
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† Amount that may be applied as non-operating appropriations in aid arising from: receipts from the sales of obsolete machinery, equipment, official vehicles, furniture and fittings.

Total Non-Operating A in A	12,719
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	142,825	-117,913	6,592,712	1,165,437	7,758,149
<i>Administration budget †</i>	<i>104,812</i>	<i>-104,900</i>	<i>5,815,366</i>	<i>910</i>	<i>5,816,276</i>
<i>Near-cash in RDEL</i>	<i>97,825</i>	<i>-117,913</i>	<i>6,336,342</i>	<i>1,214,095</i>	<i>7,550,437</i>
Capital DEL ††	35,439	496	99,219	891	100,110
Less Depreciation †††	-	-	-153,023	-1,342	-154,365
Total	178,264	-117,417	6,538,908	1,164,986	7,703,894

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	2,633,708

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR3	Better Government for Older People	600

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body		£ '000
RfR2	Working Ventures (UK) Ltd	♥	4,213
RfR3	The Pensions Regulator	♥	29,458
RfR3	The Pensions Advisory Service	♥	2,741
RfR3	Office of the Pensions Ombudsman	♥	2,786
RfR3	Personal Accounts Delivery Authority	♥	6,532
RfR4	Independent Living Fund	♥	301,039
	Total		<hr/> 346,769

Government Equalities Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
A1	Administration, Near-Cash Transfer of Disability Rights Commission sponsorship functions from the Department for Work and Pensions	88,000	
C3	Grants, Near-Cash Transfer of the functions of the Disability Rights Commission to the Commission for Equality and Human Rights, from the Department for Work and Pensions	20,000,000	
A1	Administration, Near-Cash Transfer from Communities and Local Government in respect of creation of the Government Equalities Office	335,000	
A2	Other Current, Near-Cash Transfer from the Ministry of Justice in respect of the creation of the Commission for Equalities and Human Rights	2,225,000	
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
A2	Other Current, Near-Cash Virement to support increased Administration costs		-1,820,000
A1	Administration, Near-Cash Virement to support increased Administration costs	1,820,000	
A2	Other Current, Near-Cash Provision reprioritised to European Year of Opportunity for All		-500,000
B2	Other Current, Near-Cash Provision reprioritised from Equalities Programmes	500,000	
<u>Transfers to/from non-voted spending</u>			
A2	Other Current, Near-Cash Revised forecast for non-voted spend of the Commission for Racial Equality offset by an increase in voted spend	9,753,000	

A2	Other Current, Near-Cash Revised forecast for non-voted spend of the Equal Opportunities Commission offset by a reduction in voted spend		-3,683,000
A2	Other Current, Near-Cash Revised forecast for non-voted spend of the Commission for Equality and Human Rights offset by a reduction in voted spend		-39,581,000
A2	Other Current, Near-Cash Revised forecast for non-voted spend of the Commission for Equality and Human Rights offset by an increase in voted spend	10,000,000	
<u>Changes in non-budget spending</u>			
C3	Grants, Near-Cash Decrease in Grant in Aid to the Commission for Racial Equality		-8,300,000
C3	Grants, Near-Cash Increase in Grant in Aid to the Equal Opportunities Commission	5,000,000	
C3	Grants, Near-Cash Increase in Grant in Aid to the Commission for Equality and Human Rights	56,154,000	
C3	Grants, Near-Cash Decrease in Grant in Aid to the Disability Rights Commission		-9,000,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
B5	Other Current, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £350,000		
		<u>Total</u>	
Total change in resources for RfR1		105,875,000	<u>-62,884,000</u>
Total change in resources for Estimate			42,991,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £ 42,991,000.

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

Government Equalities Office

Part I

	£
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential †	42,991,000
Total additional net resource requirement	42,991,000
Additional net cash requirement †	42,991,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Government Equalities Office on:

RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential

Work on gender and wider equalities policy, grant in aid to the Commission for Equalities and Human Rights (CEHR), grant in aid to the Commission for Racial Equality, grant in aid to the Equal Opportunities Commission and grant in aid to the Disability Rights Commission; and grants and payments associated with gender and wider equality policy; programme expenditure on the Women's National Commission and the administration costs of the Office; and other associated non-cash costs.

The **Government Equalities Office** will account for this Estimate.

† (1) In RfR1:

The Disability Rights Commission was transferred to the Commission for Equalities and Human Rights (sponsored by the Government Equalities Office) from the Department for Work and Pensions on 1 October 2007. Within the overall changes sought in this Estimate, the specific changes relating to the machinery of government transfer are:

- i) The net resource requirement for RfR1 is increased by £20,088,000; and
- ii) The net cash requirement for RFR1 is increased by £20,088,000.

† (2) In RfR1:

The Commission for Equality and Human Rights was transferred from the Ministry of Justice to the Government Equalities Office on 26th July 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- i) The net resource requirement for RfR1 is increased by £2,225,000; and
- ii) The net cash requirement for RfR1 is increased by £2,225,000.

† (3) In RfR1:

The Equalities Office function was transferred Department of Local Government and Communities on 26 July. Within the overall changes sought in this Estimate, the specific changes relating to the machinery of government transfer are:

- i) The net resource requirement for RfR1 is increased by £335,000; and
- ii) The net cash requirement for RFR1 is increased by £335,000.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Equalities	33,296	-21,363	-	-21,363	11,933
RfR 1 - B European funded initiatives	-	850	350	500	500
Non-Budget					
RfR 1 - C Non-departmental public bodies (NDPBs)	32,946	63,854	-	63,854	96,800
Total RfR 1		43,341	350	42,991	
Total Changes to RfRs		43,341	350	42,991	

	Present Provision	Change in Provision	£000
			New Provision
Capital and Cash			
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	66,242	42,991	109,233

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential								
6,128	6,655	96,800	109,583	350	109,233	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Equalities								
6,128	5,805	-	11,933	-	11,933	-	-	
B European funded initiatives								
-	850	-	850	350	500	-	-	
Non-Budget								
C Non-departmental public bodies (NDPBs)								
-	-	96,800	96,800	-	96,800	-	-	
Total for Estimate:								
6,128	6,655	96,800	109,583	350	109,233	-	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	66,242	42,991	109,233
Voted capital items			
Capital	-	-	-
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-	-	-
Excess cash to be CFERd	-	-	-
Net Cash Requirement	66,242	42,991	109,233

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	6,128
Total Net Administration Costs	6,128
Net Programme Costs	
RfR1	103,105
Total Net Programme costs	103,105
Total Net Operating Cost	109,233
<i>of which:</i>	
Net Resource Requirement	109,233
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	89,482

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	109,233
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	109,233
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-19,751
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	89,482
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	89,482
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	7,175
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	7,175
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,175
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Peter Housden, Head of the Department for Communities and Local Government

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

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential	
Administration	-
<i>of which:</i>	
European Funding	350
Total RfR1	350 †
<i>† Amount that may be applied as appropriation in aid in addition to the net total, arising from: EU receipts</i>	
Total Operating A in A	350

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-20,863	43,511	12,433	77,049	89,482
<i>of which:</i>					
Administration budget*	2,243	-	6,128	-	6,128
Near-cash in RDEL	-20,863	43,511	12,433	76,440	88,873
Capital**	-	-	-	7,175	7,175
Less Depreciation†	-	-	-	-579	-579
Total	-20,863	43,511	12,433	83,645	96,078

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

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

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

Cash which may be retained to offset expenditure

£'000

350

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

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Service	£'000
RfR1 -C3	Commission for Equalities and Human Rights (CEHR)	70,000
RfR1 -C3	Commission for Racial Equality (CRE)	10,800
RfR1 -C3	Equal Opportunities Commission (EOC)	5,000
RfR1 -C3	Disability Rights Commission (DRC)	11,000

Northern Ireland Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: 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			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
<u>Non-cash EYF</u>			
G2	Other resource - Compensation Agency - additional resources for provisions relating to compensation payments	11,523,000	
K2	Other resource - Youth Justice Agency - additional resources for pension scheme	1,200,000	
J2	Other resource - Northern Ireland Prison Service - additional resources for non-cash cost of asset revaluation	690,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
J2	Other current resources - Northern Ireland Prison Service - increase funded by budget transfer from Department of Health, Social Services and Public Safety, Northern Ireland for healthcare costs	5,469,000	
H2	Other current resources - Policing and Security Directorate - increase funded by budget transfer from Ordnance Survey Northern Ireland for mapping services	885,000	
K2	Other current resources - Youth Justice Agency - increase funded by budget transfer from Department of Social Development, Northern Ireland for renewing communities programmes	491,000	
H1	Administration costs - Policing and Security Directorate - reduction to fund budget transfer to Ordnance Survey Northern Ireland for mapping services		-100,000
F2	Other current resources - Criminal Justice Directorate - reduction to fund budget transfer to Department of Health, Social Services and Public Safety, Northern Ireland for domestic violence campaign		-50,000

H2	Other current resources - Policing and Security Directorate - reduction to fund budget transfer to Department of Enterprise, Trade and Industry, Northern Ireland for staff costs	-33,000
H2	Other current resources - Policing and Security Directorate - reduction to fund budget transfer to Office of the First Minister and Deputy First Minister for research programme	-25,000
A1	Administration costs - Central Administration - reduction to fund budget transfer to Office of the First Minister and Deputy First Minister for staff costs	-16,000

Other changesResource transfers within the Request for Resources

H1	Reallocation of administration costs from Policing and Security Directorate to Central Administration	-752,000
A1	Reallocation of administration costs to Central Administration from Policing and Security Directorate	752,000
H1	Reallocation of administration costs from Policing and Security Directorate to Northern Ireland Prison Service	-215,000
J1	Reallocation of administration costs to Northern Ireland Prison Service from Policing and Security Directorate	215,000
F1	Reallocation of administration costs from Criminal Justice Directorate to Northern Ireland Prison Service	-152,000
J1	Reallocation of administration costs to Northern Ireland Prison Service from Criminal Justice Directorate	152,000
F1	Reallocation of administration costs from Criminal Justice Directorate to Bloody Sunday Inquiry	-89,000
L1	Reallocation of administration costs to Bloody Sunday Inquiry from Criminal Justice Directorate	89,000
F1	Reallocation of administration costs from Criminal Justice Directorate to Ministers	-78,000
B1	Reallocation of administration costs to Ministers from Criminal Justice Directorate	78,000
C5	Reallocation of appropriations-in-aid from Political Directorate to Forensic Science Northern Ireland	-11,000
E5	Reallocation of appropriations-in-aid to Forensic Science Northern Ireland from Political Directorate	11,000
A2	Reallocation of other current resources to Central Administration from Political Directorate	2,017,000
C2	Reallocation of other current resources from Political Directorate to Central Administration	-2,017,000

F2	Reallocation of other current resources to Criminal Justice Directorate from Political Directorate	11,000	
C2	Reallocation of other current resources from Political Directorate to Criminal Justice Directorate		-11,000
L2	Reallocation of other current resources to Bloody Sunday from Political Directorate	437,000	
C2	Reallocation of other current resources from Political Directorate to Bloody Sunday		-437,000
D2	Reallocation of other current resources to Public Prosecution Service from Political Directorate	343,000	
C2	Reallocation of other current resources from Political Directorate to Public Prosecution Service		-343,000
G2	Reallocation of other current resources to Compensation Agency Service from Political Directorate	2,733,000	
C2	Reallocation of other current resources from Political Directorate to Compensation Agency		-2,733,000
G2	Reallocation of other current resources to Compensation Agency Service from Policing and Security Directorate	2,357,000	
H2	Reallocation of other current resources from Policing and Security Directorate to Compensation Agency		-2,357,000
G2	Reallocation of other current resources to Compensation Agency Service from Northern Ireland Prison Service	2,519,000	
J2	Reallocation of other current resources from Northern Ireland Prison Service to Compensation Agency		-2,519,000
G5	Reallocation of appropriations-in-aid to Compensation Agency from Political Directorate	81,000	
C5	Reallocation of appropriations-in-aid from Political Directorate to Compensation Agency		-81,000
G2	Reallocation of other current resources to Compensation Agency Service from Youth Justice Agency	94,000	
K2	Reallocation of other current resources from Youth Justice Agency to Compensation Agency		-94,000
I2	Reallocation of other current resources to Policing Non-Severance from Youth Justice Agency	32,000	
K2	Reallocation of other current resources from Youth Justice Agency to Policing Non-Severance		-32,000
I2	Reallocation to Policing Non-Severance other current resources from Policing and Security Directorate grants	27,000	
H3	Reallocation from Policing and Security Directorate grants to Policing Non-Severance other current resources		-27,000

<u>Transfers to/from non-voted spending</u>		
A2	Increase in other current resources for Central Administration transferred from non-voted Probation Board funds	1,087,000
A2	Increase in other current resources for Central Administration transferred from non-voted Policing Board funds	500,000
A2	Increase in other current resources for Central Administration transferred from non-voted Police Ombudsman funds	150,000
A2	Increase in other current resources for Central Administration transferred from Human Rights Commission funds	106,000
<u>Changes in non-budget spending</u>		
N3	Grants - Police Pensions - increase in cash grant required	16,488,000
P3	Grants - Probation Board - increase in cash grant required	125,000
M3	Grants - Police Service of Northern Ireland - reduction in cash grant	-7,862,000
Q3	Grants - Policing Board - reduction in cash grant required	-500,000
O3	Grants - Police Ombudsman - reduction in cash grant required	-350,000
R3	Grants - Human Rights Commission - reduction in cash grant required	-66,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>		
A1	Increase in Central Administration administration costs offset by increase in administration receipts	18,000
A5	Increase in administration receipts offsetting administration costs expenditure within Central Administration	-18,000
F1	Reduction in administration costs for Criminal Justice Directorate to offset reduction in Forensic Science Northern Ireland administration receipts	-199,000
E5	Reduction in Forensic Science Northern Ireland receipts offset by reduction in Criminal Justice Directorate administration costs expenditure	199,000
E1	Reduction in administration costs for Forensic Science Northern Ireland to offset reduction in administration receipts	-775,000
E5	Reduction in Forensic Science Northern Ireland administration receipts offset by reduction in administration costs	775,000
C1	Reduction in administration costs for Political Directorate to offset reduction in Forensic Science Northern Ireland administration receipts	-271,000
E5	Reduction in Forensic Science Northern Ireland administration receipts offset by reduction in Political Directorate administration costs	271,000

H5	Reduction in programme receipts within Policing and Security Directorate offset by reduction in other current resources	850,000	
H2	Reduction in other current resources within Policing and Security Directorate to offset reduction in programme receipts		-850,000
G2	Increase in Compensation Agency other current resources offset by increase in Political Directorate programme receipts	35,000	
C5	Increase in Political Directorate programme receipts offsetting increase in Compensation Agency other current resources		-35,000
G2	Increase in Compensation Agency other current resources offset by additional Northern Ireland Prison Service receipts	38,000	
J5	Additional Northern Ireland Prison Service receipts offsetting increase in Compensation Agency other current resources		-38,000
		<u>Total</u>	<u>52,848,000</u>
	Total change in resources for RfR1		-23,136,000
			29,712,000
	Total change in resources for Estimate		29,712,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
	<u>Changes related to movements in budgets</u>		
	<u>Transfers of budgetary cover to/from other government departments</u>		
J7	Northern Ireland Prison Service - increase in provision funded in budgetary terms by transfer from Department of Health, Social Services and Public Safety, Northern Ireland for healthcare costs	15,000	
J7	Northern Ireland Prison Service - increase in provision funded in budgetary terms by transfer from Northern Ireland Court Service for video links	20,000	
	<u>Changes in non-operating appropriations-in-aid (not offset by changes in spending)</u>		
A8	Reduction in Central Administration non-operating appropriations-in-aid	650,000	
E8	Reduction in Forensic Science Northern Ireland non-operating appropriations-in-aid	50,000	

Other changesTransfers to/from non-voted spending

A7	Transfer to Central Administration capital from non-voted capital spending	2,856,000	
B7	Transfer to Ministers capital from non-voted capital spending	7,000	
C7	Transfer to Political Directorate capital from non-voted capital spending	158,000	
H7	Transfer to Policing and Security Directorate capital from non-voted capital spending	900,000	
E7	Transfer to Forensic Science Northern Ireland capital from non-voted capital spending	1,140,000	
F7	Transfer to Criminal Justice Directorate capital from non-voted capital spending	951,000	
K7	Transfer to Youth Justice Agency capital from non-voted capital spending	229,000	
D7	Transfer to Public Prosecution Service capital from non-voted capital spending	963,000	
G7	Transfer to Compensation Agency capital from non-voted capital spending	231,000	
		<u>Total</u>	<u>8,170,000</u>
	Total change in capital for Estimate		8,170,000

- As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £32,456,000.
- Symbols are explained in the Introduction to this booklet.

Northern Ireland Office

Part I

£

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	29,712,000
Total additional net resource requirement	29,712,000
Additional net cash requirement	32,456,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Northern Ireland Office on:

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

expenditure on central administrative services; expenditure on Head of State related costs; VIP visits to Northern Ireland; the Bloody Sunday Inquiry; Reviews and Commissions arising from the Good Friday Agreement; expenditure on political development and inquiries; expenditure on Victims of the Troubles; expenditure arising from the Northern Ireland Act 1998 and the Northern Ireland Act 2000; expenditure arising from elections; forensic services; services related to crime; criminal justice including juvenile justice services; probation and after-care; state pathology; Crown prosecution and other legal services; compensation schemes; European Union peace and reconciliation projects and certain other grants; implementation of the Independent Commission on Police findings; security; the Police Ombudsman; Access Northern Ireland; the Independent Assessor of Military Complaints Procedures in Northern Ireland; the Parades Commission; arms decommissioning; policing; prisons including the Prison Service and the Prisoner Ombudsman; the Northern Ireland Law Commission and associated non-cash items.

RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000

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

The Northern Ireland Office will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Central Administration	44,846	4,614	18	4,596	49,442
RfR 1 - B Ministers	2,710	78	-	78	2,788
RfR 1 - C Political Directorate	41,315	-5,812	127	-5,939	35,376
RfR 1 - D Department of the Director of Public Prosecutions	35,831	343	-	343	36,174
RfR 1 - E Forensic Science Northern Ireland	1,446	-775	-1,256	481	1,927
RfR 1 - F Criminal Justice	31,010	-557	-	-557	30,453
RfR 1 - G Compensation Agency	36,950	19,299	-81	19,380	56,330
RfR 1 - H Policing & Security	16,320	-3,474	-850	-2,624	13,696
RfR 1 - I Policing- Non-Severance	2,100	59	-	59	2,159
RfR 1 - J Northern Ireland Prison Service	131,076	4,007	38	3,969	135,045
RfR 1 - K Youth Justice Agency	20,631	1,565	-	1,565	22,196
RfR 1 - L Bloody Sunday	4,054	526	-	526	4,580
Non-Budget					
RfR 1 - M Police	817,691	-7,862	-	-7,862	809,829
RfR 1 - N Police Pensions	55,271	16,488	-	16,488	71,759
RfR 1 - O Police Ombudsman for Northern Ireland	9,076	-350	-	-350	8,726
RfR 1 - P Probation Board for Northern Ireland	15,642	125	-	125	15,767
RfR 1 - Q Northern Ireland Policing Board	9,274	-500	-	-500	8,774
RfR 1 - R Northern Ireland Human Rights Commission	1,746	-66	-	-66	1,680
Total RfR 1		27,708	-2,004	29,712	
Total Changes to RfRs		27,708	-2,004	29,712	

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
Capital and Cash					
Total Capital Expenditure	94,355	7,470	101,825		
Non-Operating A in A	69,261	-700	68,561		
Net cash requirement	11,623,994	32,456	11,656,450		

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of 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								
94,835	268,826	958,907	1,322,568	14,561	1,308,007	101,825	68,561	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Central Administration								
48,358	4,786	-	53,144	3,702	49,442	70,033	68,561	
B Ministers								
2,788	-	-	2,788	-	2,788	7	-	
C Political Directorate								
5,418	30,385	-	35,803	427	35,376	386	-	
D Department of the Director of Public Prosecutions								
2,242	34,007	-	36,249	75	36,174	1,281	-	
E Forensic Science Northern Ireland								
11,016	-	-	11,016	9,089	1,927	1,524	-	
F Criminal Justice								
5,155	22,098	3,200	30,453	-	30,453	6,106	-	
G Compensation Agency								
-	23,098	33,451	56,549	219	56,330	255	-	
H Policing & Security								
5,284	7,047	2,175	14,506	810	13,696	1,063	-	
I Policing- Non-Severance								
-	209	1,950	2,159	-	2,159	-	-	
J Northern Ireland Prison Service								
13,839	121,125	290	135,254	209	135,045	20,920	-	
K Youth Justice Agency								
-	22,226	-	22,226	30	22,196	250	-	
L Bloody Sunday								
735	3,845	-	4,580	-	4,580	-	-	
Non-Budget								
M Police								
-	-	809,829	809,829	-	809,829	-	-	
N Police Pensions								
-	-	71,759	71,759	-	71,759	-	-	
O Police Ombudsman for Northern Ireland								
-	-	8,726	8,726	-	8,726	-	-	
P Probation Board for Northern Ireland								
-	-	15,767	15,767	-	15,767	-	-	
Q Northern Ireland Policing Board								
-	-	8,774	8,774	-	8,774	-	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
R	Northern Ireland Human Rights Commission							
-	-	1,680	1,680	-	1,680	-	-	
S	Criminal Justice Inspectorate							
-	-	1,306	1,306	-	1,306	-	-	
RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000								
-	-	10,334,001	10,334,001	-	10,334,001	-	-	
Non-Budget								
A	Grants to the Northern Ireland Consolidated Fund							
-	-	10,334,000	10,334,000	-	10,334,000	-	-	
B	European Insitutions (Net)							
-	-	1	1	-	1	-	-	
Total for Estimate:								
94,835	268,826	11,292,908	11,656,569	14,561	11,642,008	101,825	68,561	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	11,612,296	29,712	11,642,008
Voted capital items			
Capital	94,355	7,470	101,825
<i>Less:</i> Non-operating A in A	<u>69,261</u>	<u>-700</u>	<u>68,561</u>
Total net voted capital	25,094	8,170	33,264
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-9,831	744	-9,087
Depreciation	-17,275	-743	-18,018
New provisions and adjustments to previous provisions	-36,260	-12,736	-48,996
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-742	-691	-1,433
Increase(+)/decrease (-) in stock	-13	-	-13
Increase(+)/decrease (-) in debtors	-1,799	-	-1,799
Increase(-)/decrease (+) in creditors	-200	-	-200
Use of provisions	<u>52,724</u>	<u>8,000</u>	<u>60,724</u>
Total accruals to cash adjustments	-13,396	-5,426	-18,822
Excess cash to be CFERd	-	-	-
Net Cash Requirement	11,623,994	32,456	11,656,450

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	81,753
RfR2	-
Total Net Administration Costs	81,753
Net Programme Costs	
RfR1	1,226,254
RfR2	10,334,001
Non-voted	-
Total Net Programme costs	11,560,255
Total Net Operating Cost	11,642,008
<i>of which:</i>	
Net Resource Requirement	11,642,008
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	1,621,078

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	11,642,008
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	11,642,008
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-10,521,130
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	313,071
unallocated resource provision	-
Other adjustments	187,129
Resource Budget (Budget)	1,621,078
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,384,636
Annually Managed Expenditure (AME)	236,442

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	33,264
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	38,674
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	71,938
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	71,938
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Jonathan Phillips, Permanent Secretary of the Northern Ireland Office

Request for Resources 2 Jonathan Phillips, Permanent Secretary of the Northern Ireland Office

Jonathan Phillips as the Accounting Officer of the Northern Ireland Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Northern Ireland Office.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	
Administration	13,082
<i>of which:</i>	
Income from licences	40
Income from fees and charges	75
Recovery of Costs	12,758
Income from other sales	209
Programme	1,479
<i>of which:</i>	
Recovery of Costs	1,406
Income from fees and charges	73
Total RfR1	14,561 †

† Amount that may be appropriated in aid in addition to the net total arising from : recoupment of electoral expenses, shared accommodation costs, receipts from the sale of video conference facilities, certain pensions contributions, receipts from accruing superannuation liability charges, fees and costs recovered for work done for other departments, freedom of information receipts, data protection receipts; recovery of compensation paid, recoupment of grant funding, recovery of costs associated with supplying forensic science services, costs and fees awarded in favour of the Crown, receipts arising from arms decommissioning, proceeds of prison occupational services, sale of surplus stores and catering equipment, creche fees, contributions to community programmes from health and voluntary sectors, dividend interest and tuck shop receipts.

Total Operating A in A	14,561
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Analysis of non - operating appropriations in aid (A in A)

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

Programme	68,561
<i>of which:</i>	
Sale of assets	68,561
Total RfR1	68,561 †

† Amount that may be applied as non-operating appropriations in aid arising from: receipts from the sale of residential properties, surplus IT and office equipment

Total Non-Operating A in A	68,561
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	21,877	19,831	390,166	994,470	1,384,636
<i>of which:</i>					
Administration budget †	-116	-	81,753	-	81,753
Near-cash in RDEL	8,451	5,857	312,632	719,263	1,031,895
Capital DEL ††	8,170	-8,135	33,264	38,674	71,938
Less Depreciation †††	-743	-1,187	-18,018	-45,068	-63,086
Total DEL	29,304	10,509	405,412	988,076	1,393,488

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

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

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

Cash which may be retained to offset expenditure

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	£'000 83,122
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HM Treasury

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
A	Take up of Administration DUP of £5,868,000 (near cash £5,795,000, non cash £73,000) comprising £5,385,000 near cash to fund a range of planned activities within administration costs in Section A including £3,000,000 near cash in respect of secondments in, contract and agency staff; £500,000 near cash for consultancy costs; £400,000 near cash for other staff support costs; £300,000 near cash for staff exits; £73,000 non cash to fund increased depreciation; £410,000 near cash to offset a reduction in other current appropriations in aid of £390,000 and £20,000 for an increase in other current spending.	5,868,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
E	Increase of £8,052,000 in Section E in respect of the cost of capital charge on the Treasury's investment in the Bank of England	8,052,000	
F	To reflect an impairment reversal in a new Section F following the revaluation of the 1 Horse Guards Road building		-13,825,000
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A	Transfer from Section B of £532,000 administration costs to fund an increase in the administration costs spending.	532,000	
<u>Increase in resources</u>			
A	An increase in other current resources of £3,400,000 to part fund the loss on disposal of Trevelyan House (£3,400,000 in total) which scores in capital DEL.	3,400,000	
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A	An increase in Section A of £14,765,000 spending matched by income mainly to cover the costs of work on Northern Rock and the Poynter Review.	14,765,000	-14,765,000
B	An increase in other current spending of £100,000 by the Debt Management Office offset by an increase in appropriations in aid of £100,000.	100,000	-100,000

B	An increase of £243,000 in administration costs gross spending offset by a matching increase in administration costs appropriations in aid.	243,000	-243,000
<u>Resource transfers within the Request for Resources</u>			
B	A transfer to Section A of £532,000 arising from a net reduction in spending arising from an increase in appropriations in aid of £532,000.		-532,000
<u>Resource transfers to/from another Request for Resources</u>			
B	Transfer of £522,000 other current from RfR 2 Section A to offset an increase in other current spending.	522,000	
		<u>Total</u>	<u>-29,465,000</u>
Total change in resources for RfR1		33,482,000	4,017,000

RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
E	Take up of £103,000 non cash from the Administration DUP to fund the creation of a new Section, E, to cover the cost of capital charge on the manufacturing element of coinage stocks held by the Royal Mint	103,000	
F	Take up of £600,000 near cash from the DUP to finance an awareness campaign about revisions to UK coinage.	600,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
B	Increase of £2,600,000 in Section B in respect of the cost of capital charge on the Treasury's investment in the Royal Mint	2,600,000	
D	Increase of £293,000 following the creation of a new Section, D, to cover the cost of capital charge on the metal element of coinage stocks held by the Royal Mint	293,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A	A reduction in spending on the manufacturing cost of coinage of £522,000 to offset an increase in other current spending in RfR 1.		-522,000
		<u>Total</u>	<u>-522,000</u>
Total change in resources for RfR2		3,596,000	3,074,000

RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Other changes</u>			
<u>Increases in spending offset by increases in appropriations in aid</u>			
A	An increase in administration costs spending of £1,349,000 offset by a matching increase in appropriations in aid.	1,349,000	-1,349,000

A	An increase in other current spending of £269,000 offset by an increase in other current appropriations in aid.	269,000	-269,000
	<u>Reclassification of income and token increase</u>		
A	Reclassification of administration budget income of £2,183,000 to other current spending to fund a range of activities including staff exit costs.	2,182,000	-2,181,000
		<u>Total</u>	<u>-3,799,000</u>
	Total change in resources for RfR3		1,000
	Total change in resources for Estimate		7,092,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £11,841,000.

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

HM Treasury

Part I

	£
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all	4,017,000
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage	3,074,000
RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis	1,000
Total additional net resource requirement	7,092,000
Additional net cash requirement	11,841,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by HM Treasury on:

RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all

Economic, financial and related administration, including group shared services; grants in aid to four Parliamentary bodies; expenses in connection with honours and dignities; a grant in aid to the Statistics Commission and spending in connection with the establishment of the Statistics Board; expenditure of the Debt Management Office, including administration of carbon dioxide emission reduction schemes; payments under an indemnity guarantee in respect of Paymaster; expenditure on administration of Treasury related bodies; compensation payments arising from gilt administration; cost of capital charges on the Treasury's investment in the Bank of England; payments to other government departments and associated non-cash items.

RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage

Manufacture, storage and distribution of coinage for use in the United Kingdom; actions to protect the integrity of coinage; and associated non-cash items.

RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis

Administration and other related costs of the Office of Government Commerce and OGC buying.solutions; management and disposal of surplus civil estate; costs and income from investment and loans to OGC buying.solutions; and associated non-cash items.

HM Treasury will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Core Treasury and group shared services	133,636	24,175	14,375	9,800	143,436
RfR 1 - B Debt Management Office	10,750	865	875	-10	10,740
Spending in Annually Managed Expenditure (AME)					
RfR 1 - E Investment in Bank of England	87,198	8,052	-	8,052	95,250
RfR 1 - F Impairment reversal of fixed assets	-	-13,825	-	-13,825	-13,825
Total RfR 1		19,267	15,250	4,017	
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage					
Spending in Departmental Expenditure Limits (DEL)					
RfR 2 - A UK coinage: manufacturing costs	19,000	-522	-	-522	18,478
Spending in Annually Managed Expenditure (AME)					
RfR 2 - B UK coinage: investment in the Royal Mint	2,000	2,600	-	2,600	4,600
RfR 2 - D Cost of capital charge on coinage stocks - metal costs	-	293	-	293	293
Spending in Departmental Expenditure Limits (DEL)					
RfR 2 - E Cost of capital charge on coinage stocks - manufacturing costs	-	103	-	103	103
RfR 2 - F Coinage revisions - awareness campaign	-	600	-	600	600
Total RfR 2		3,074	-	3,074	
RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis					
Spending in Departmental Expenditure Limits (DEL)					
RfR 3 - A Office of Government Commerce	35,628	3,800	3,799	1	35,629
Total RfR 3		3,800	3,799	1	
Total Changes to RfRs		26,141	19,049	7,092	
Capital and Cash					
Total Capital Expenditure	7,200	-	7,200		
Non-Operating A in A	-	-	-		
Net cash requirement	246,532	11,841	258,373		

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: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all								
169,733	92,459	4,655	266,847	26,285	240,562	7,125	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Core Treasury and group shared services								
156,383	7,828	-	164,211	20,775	143,436	5,625	-	
B Debt Management Office								
13,350	2,900	-	16,250	5,510	10,740	1,500	-	
C Parliament								
-	-	3,305	3,305	-	3,305	-	-	
D Statistics Commission and Statistics Board								
-	306	1,350	1,656	-	1,656	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
E Investment in Bank of England								
-	95,250	-	95,250	-	95,250	-	-	
F Impairment reversal of fixed assets								
-	-13,825	-	-13,825	-	-13,825	-	-	
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage								
703	54,371	-	55,074	-	55,074	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A UK coinage: manufacturing costs								
-	18,478	-	18,478	-	18,478	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B UK coinage: investment in the Royal Mint								
-	4,600	-	4,600	-	4,600	-	-	
C UK coinage: metal costs								
-	31,000	-	31,000	-	31,000	-	-	
D Cost of capital charge on coinage stocks - metal costs								
-	293	-	293	-	293	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
E Cost of capital charge on coinage stocks - manufacturing costs								
103	-	-	103	-	103	-	-	
F Coinage revisions - awareness campaign								
600	-	-	600	-	600	-	-	

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	
RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis								
36,800	12,428	-	49,228	13,599	35,629	75	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A Office of Government Commerce								
36,800	12,428	-	49,228	13,599	35,629	75	-	
Total for Estimate:								
207,236	159,258	4,655	371,149	39,884	331,265	7,200	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	324,173	7,092	331,265
Voted capital items			
Capital	7,200	-	7,200
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	7,200	-	7,200
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-88,897	-11,048	-99,945
Depreciation	-9,539	13,752	4,213
New provisions and adjustments to previous provisions	-2,523	-165	-2,688
Profit/loss on sale of assets	-	-3,400	-3,400
Prior period adjustments	-	-	-
Other non-cash items	-60	-	-60
Increase(+)/decrease (-) in stock	5,000	3,000	8,000
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	11,178	2,610	13,788
Total accruals to cash adjustments	-84,841	4,749	-80,092
Excess cash to be CFERd	-	-	-
Net Cash Requirement	246,532	11,841	258,373

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	144,958
RfR2	703
RfR3	24,670
Total Net Administration Costs	170,331
Net Programme Costs	
RfR1	32,556
RfR2	54,371
RfR3	10,959
Non-voted expenditure	24,479
Total Net Programme costs	122,365
Total Net Operating Cost	292,696
<i>of which:</i>	
Net Resource Requirement	331,265
Non-voted expenditure	24,479
Consolidated Fund Extra Receipts	-63,048
Resource Budget	311,105

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	331,265
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	24,479
Consolidated Fund extra receipts in the OCS	-63,048
Other adjustments	-
Net Operating Costs (Accounts)	292,696
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-3,400
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	20,959
Resource consumption of non-departmental public bodies	-
unallocated resource provision	850
Other adjustments	-
Resource Budget (Budget)	311,105
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	231,787
Annually Managed Expenditure (AME)	79,318

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	7,200
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	7,200
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,200
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Nicholas Macpherson, Permanent Head of the Department
Request for Resources 2	Nicholas Macpherson, Permanent Head of the Department
Request for Resources 3	Nigel Smith, Chief Executive of the Office of Government Commerce

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

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

In accordance with Managing Public Money requirements, the relationship between the PAO and the Additional Accounting Officer, and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all	
Administration	
<i>of which:</i>	24,775
Sale of goods and services	24,775
CFERs	-
Programme	1,510
<i>of which:</i>	
Sale of goods and services	1,510
Interest and dividends	63,048
CFERs	-63,048
Total RfR1	26,285 †
<p>† Amount that may be applied as appropriations in aid in addition to the net total, arising from; recoveries in respect of administration of the Treasury, including charges for courses, services provided by the Economics in Government team and officers loaned to other organisations, including the salary of the UK Executive Director of the International Monetary Fund/International Bank for Reconstruction and Development who is a Treasury employee; charges for services provided by the Government Social Research Unit; income from recovery actions in connection with Barlow Clowes; charges for services to government departments provided under the Financial Management Change agenda; income from fees charged to Foreign Investment Exchange/Clearing Houses; recoveries in respect of Honours and Dignities; income in respect of insurance sponsorship and supervision responsibilities; income due to the Debt Management Office for gilt issuance costs, provision of the Gilt Purchase and Sale Service, data provision, management and administration of certain public and private funds and provision of a lending service to local authorities; administration of Pool Re and other related bodies; European Fast Stream income from Cabinet Office; amounts arising from the sale of shares and debt; income in respect of Northern Rock and reimbursement of costs associated with the Poynter Review.</p>	
RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis	
Administration	12,130
<i>of which:</i>	
Sale of goods and services	12,130
CFERs	-
Programme	1,469
<i>of which:</i>	
Sale of goods and services	-
Interest and dividends	1,469
CFERs	-
Total RfR3	13,599 †
Total Operating A in A	39,884

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	6,572	-6,572	210,547	21,240	231,787
<i>of which: †</i>					
Administration budget	3,902	-6,572	170,331	850	171,181
Near-cash in RDEL	6,231	-6,572	198,385	32,418	230,803
Capital ††	-	-	7,200	-	7,200
Less Depreciation †††	-73	-	-9,612	-	-9,612
Total	6,499	-6,572	208,135	21,240	229,375

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

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

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

Cash which may be retained to offset expenditure

£'000

39,884

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

Grants in aid

RfR/Section	Body		£'000
RfR1 - C	The Commonwealth Parliamentary Association	◆	1,808
RfR1 - C	The British-American Parliamentary Group	◆	101
RfR1 - C	The Inter-Parliamentary Union	◆	1,192
RfR1 - C	The British-Irish Parliamentary Union	◆	204
RfR 1 D	The Statistics Commission	◆	1,350

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£ '000
<p>As at 31 March 2007, the following liabilities fell to be met from the Department's Estimate:</p>	
Non-Statutory	£'000
<p>HM Treasury has announced guarantee arrangements in respect of retail and uncollateralised wholesale deposits in, and certain other uncollateralised and unsubordinated wholesale obligations of, Northern Rock plc. These arrangements will exist for the current period of instability in the financial markets.</p>	Unquantifiable
<p>The Bank of England has made available additional facilities to Northern Rock plc. The facilities are secured against the assets of Northern Rock plc, but HM Treasury has indemnified the Bank of England should the Bank of England face a deficit, having made all reasonable endeavours to recover its claims on the company.</p>	Unquantifiable

HM Revenue and Customs

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Increases</u>			
A1	<u>Take up of Departmental Unallocated Provision (DUP)</u> Near-cash administration costs draw down of non-voted DUP of £20,200,000 taken up as voted provision to facilitate improvements to key operational activities	20,200,000	
A2	<u>Transfers of Budgetary cover from Other Government Departments</u> Near-cash programme expenditure from Department for Finance & Personnel in respect of the Aggregates Levy	153,000	
<u>Neutral Changes</u>			
A1, A2, A5	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u> To increase the levels of near-cash administration costs and income by £86,400,000 primarily in relation to employer compliance schemes; and an increase in programme receipts of £10,145,000 due to additional operational activities	96,545,000	-96,545,000
A2, D2	<u>Resource transfers within the Request for Resources</u> Non-cash revaluation costs of £2,500,000 reclassified as AME from DEL	-2,500,000	2,500,000
		<u>Total</u>	
Total change in resources for RfR1		114,398,000	-94,045,000
			20,353,000

RfR 5: Payments of Child Benefit and Child Trust Fund endowments

<u>Changes in Annually Managed Expenditure (AME)</u>			
A2, A3,	£119,538,000 increase to the Child Benefit forecast	119,538,000	
B3	£20,000,000 increase to the Child Trust Fund forecast	20,000,000	
		<u>Total</u>	
Total change in resources for RfR5		139,538,000	-
			139,538,000

Total change in resources for the Estimate

159,891,000

Changes in capital

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Section Reason for change

Changes related to movements in BudgetsDraw down of Modernisation Fund

A7	Draw down of capital from the ring-fenced Modernisation Fund of £24,259,000	24,259,000	
		<u>Total</u> 24,259,000	-
	Total change in capital for Estimate		24,259,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £407,489,000
3. Symbols are explained in the Introduction to this booklet.

HM Revenue and Customs

Part I

£

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements	20,353,000
RfR 5: Payments of Child Benefit and Child Trust Fund endowments	139,538,000
Total additional net resource requirement	159,891,000
Additional net cash requirement	407,489,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by HM Revenue and Customs on:

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

administration and the associated non-cash items incurred in the management and collection of the direct and indirect taxes, duties and levies, new tax credits and National Insurance Contributions; Child Benefit and the Child Trust Fund, Shipbuilders' Relief, Money Laundering regulatory regime, the National Insurance Funds for Great Britain and Northern Ireland; OPG and government banking services; National minimum wage; collection of student loans; the operation of customs controls including prohibitions and restrictions; the provision of trade information; the provision of Capital Grants for Excise Tax Stamps; the provision of resources to independent investigatory bodies (including the HMIC, IPCC and the police authorities) to facilitate the independent inspection of professional standards within the

Department, the investigation of allegations of mis-conduct or criminal activities by Departmental staff and fulfilment of reciprocal complaints investigation arrangements with police authorities; the provision of incentive payments for e-filing; payments in respect of the Customs National Museum; grants to the voluntary and community sector; providing the business link portal; air travel carbon-offsetting; and for services provided to the department's information technology and wider markets' partners, other departments and public bodies including any assistance with investigations into terrorist incidents, and overseas tax administration.

RfR 2: Growing a contribution to the good management of property where the public interest is involved

administration and the associated non-cash costs incurred in the provision of valuation and other services for government departments and other public bodies by the Valuation Office Agency.

Part I (*continued*)

RfR 3: Providing payments in lieu of tax relief to certain bodies

transitional payments to charities, supplements on payroll giving, donations to charities and on personal and stakeholder pension schemes, life assurance premium relief, stamp duty relief and residual payments for mortgage interest relief, vocational training relief and private medical insurance; and associated non-cash items.

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

rates paid by Her Majesty's Revenue and Customs in respect of non-domestic property occupied by accredited representatives of Commonwealth and foreign countries and certain international organisations and associated non-cash items.

RfR 5: Payments of Child Benefit and Child Trust Fund endowments

payments of Child Benefit, Child Trust Funds and associated non-cash items.

HM Revenue and Customs will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	4,146,909	114,398	96,545	17,853	4,164,762
Spending in Annually Managed Expenditure (AME)					
RfR1 - D Revaluations	-	2,500	-	2,500	2,500
Total RfR 1		116,898	96,545	20,353	
RfR 5: Payments of Child Benefit and Child Trust Fund endowments					
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 5 - A Children's benefits	10,510,462	119,538	-	119,538	10,630,000
RfR 5 - B Child Trust Fund Endowments	240,000	20,000	-	20,000	260,000
Total RfR 5		139,538	-	139,538	
Total Changes to RfRs		256,436	96,545	159,891	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	267,951	24,259	292,210
Non-Operating A in A	3,980	-	3,980
Net cash requirement	15,185,697	407,489	15,593,186

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements								
4,551,206	135,672	200,435	4,887,313	520,050	4,367,263	283,039	3,818	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
4,551,206	129,672	435	4,681,313	516,551	4,164,762	283,039	3,818	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B e-filing incentive payments								
-	-	200,000	200,000	-	200,000	-	-	
Non-budget								
C Operational local clearance procedures								
-	3,500	-	3,500	3,499	1	-	-	
Spending in Annually Managed Expenditure (AME)								
D Revaluations								
-	2,500	-	2,500	-	2,500	-	-	
RfR 2: Growing a contribution to the good management of property where the public interest is involved								
214,975	265	-	215,240	215,239	1	9,171	162	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
214,975	-	-	214,975	215,239	-264	9,171	162	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B Revaluations								
-	265	-	265	-	265	-	-	
RfR 3: Providing payments in lieu of tax relief to certain bodies								
-	-	86,000	86,000	-	86,000	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A Payments in lieu of tax relief								
-	-	86,000	86,000	-	86,000	-	-	
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies								
-	40,625	-	40,625	2,239	38,386	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A Payments of Local Authority rates								
-	40,625	-	40,625	2,239	38,386	-	-	
RfR 5: Payments of Child Benefit and Child Trust Fund endowments								
-	-17,500	10,907,500	10,890,000	-	10,890,000	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A Children's benefits								
-	-17,500	10,647,500	10,630,000	-	10,630,000	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
B Child Trust Fund Endowments	-	-	260,000	260,000	-	260,000	-	-
Total for Estimate:	4,766,181	159,062	11,193,935	16,119,178	737,528	15,381,650	292,210	3,980

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	15,221,759	159,891	15,381,650
Voted capital items			
Capital	267,951	24,259	292,210
<i>Less: Non-operating A in A</i>	<i>3,980</i>	<i>-</i>	<i>3,980</i>
Total net voted capital	263,971	24,259	288,230
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-34,305	7,926	-26,379
Depreciation	-183,516	-28,007	-211,523
New provisions and adjustments to previous provisions	-148,051	-18,951	-167,002
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-520	-1,340	-1,860
Increase(+)/decrease (-) in stock	-500	1,638	1,138
Increase(+)/decrease (-) in debtors	34,530	-29,166	5,364
Increase(-)/decrease (+) in creditors	-1,819	239,784	237,965
Use of provisions	34,148	51,455	85,603
Total accruals to cash adjustments	-300,033	223,339	-76,694
Excess cash to be CFERd	-	-	-
Net Cash Requirement	15,185,697	407,489	15,593,186

Part III: Extra receipts payable to the Consolidated Fund

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

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	1,000	<i>1,000</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	230,000	<i>230,000</i>	350,000	<i>304,000</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	230,000	<i>230,000</i>	351,000	<i>305,000</i>

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	4,416,997
RfR2	-264
RfR3	-
RfR4	-
RfR5	-
Total Net Administration Costs	4,416,733
Net Programme Costs	
RfR1	-49,734
RfR2	265
RfR3	86,000
RfR4	38,386
RfR5	10,890,000
Non-voted	-
Total Net Programme costs	10,964,917
Total Net Operating Cost	15,381,650
<i>of which:</i>	
Net Resource Requirement	15,381,650
Non-voted expenditure	
Consolidated Fund Extra Receipts	-
Resource Budget	30,459,465

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	15,381,650
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	15,381,650
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-260,000
European Union income related to capital grants	-
voted expenditure outside the budget	-1
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	24,874
Other adjustments	15,312,942
Resource Budget (Budget)	30,459,465
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	4,537,311
Annually Managed Expenditure (AME)	25,922,154

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	288,230
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	260,000
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	3,739
Other adjustments	-
Capital Budget (Budget)	551,969
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	291,969
Annually Managed Expenditure (AME)	260,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Mike Eland, Director General, HM Revenue and Customs
Request for Resources 2	Andrew Hudson, Chief Executive of the Valuation Office Agency
Request for Resources 3	David Hartnett, Acting Chairman, HM Revenue and Customs
Request for Resources 4	Andrew Hudson, Chief Executive of the Valuation Office Agency
Request for Resources 5	Mike Eland, Director General, HM Revenue and Customs

David Hartnett as the interim Principal Accounting Officer of HM Revenue and Customs has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of HM Revenue and Customs.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements	
Administration	134,209
<i>of which:</i>	
Sale of goods and services	42,430
Regulatory licences, fines, penalties and taxes	91,779
Programme	385,841
<i>of which:</i>	
Sale of goods and services	385,706
Regulatory licences, fines, penalties and taxes	135
Total RfR1	520,050 †
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of law costs; recovery of costs of administering the National Insurance Funds and collection of National Insurance contributions; subsidies for New Deal jobseekers employed; receipts for services provided to the Valuation Office Agency, government departments and other bodies, including student loan and National Minimum Wage receipts; recovery of costs in respect of the Aggregates levy and of seconded and loan staff; charges for the special attendance of officers; and for international commitments;</p> <p>receipts from the sale of publications; from the sale of statistical services and certificates; and from estate management services, including rent receipts from other government departments and private tenants; receipts from the use of certain official cars; receipts from certain tax penalties; EC travelling expenses and receipts from the EC; receipts in respect of Shipbuilders' Relief and local clearance procedures under Single European Authorisations; receipts from insurance and compensation claims; receipts from the Asset Recovery Incentivisation Scheme; and marine fuel relief; fees received for the money laundering regulatory regime; recoveries of overpayments in prior years; excess cash receipts; subscription fees relating to Business Link; and other miscellaneous administration and programme cost receipts.</p>	
RfR 2: Growing a contribution to the good management of property where the public interest is involved	
Administration	215,239
<i>of which:</i>	
Sale of goods and services	215,239
Total RfR2	215,239 †
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of costs of valuation and other services; receipts from the use of certain official cars; receipts from the sale of information and publications; recovery of law costs; rent receipts from other government departments and private tenants; other administration cost receipts.</p>	
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies	
Programme	2,239
<i>of which:</i>	
Sale of goods and services	2,239
Total RfR4	2,239 †
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: payment of rates by accredited Commonwealth and foreign countries and certain international organisations; refunds from local authorities.</p>	
Total Operating A in A	737,528

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

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Administration	-
<i>of which:</i>	
Sale of assets	
Programme	3,818
<i>of which:</i>	
Sale of assets	3,818

Total RfR1	3,818 †
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† Amount that may be applied as non-operating appropriations in aid arising from: the recovery of income from the sale of fixed assets and from the sale of land and buildings.

RfR 2: Growing a contribution to the good management of property where the public interest is involved

Administration	-
<i>of which:</i>	
Sale of assets	-
Programme	162
<i>of which:</i>	
Sale of assets	162

Total RfR2	162 †
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† Amount that may be applied as non-operating appropriations in aid arising from: the recovery of income from the sale of assets.

Total Non-Operating A in A	3,980
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2007-08 provision	
		Income	Receipts
Fines and penalties	●	325,200	279,200
Proceeds, less duty, on sales of seized assets	●	6,400	6,400
Other miscellaneous receipts	●	19,400	19,400
Total		351,000	305,000

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	17,853	-20,200	4,164,498	372,813	4,537,311
<i>of which:</i>					
Administration budget †	20,200	-20,200	4,416,733	24,874	4,441,607
Near-cash in RDEL	68,613	-20,200	3,839,588	406,961	4,246,549
Capital DEL ††	24,259	-	288,230	3,739	291,969
Less Depreciation †††	-25,507	-	-208,758	-	-208,758
Total DEL	16,605	-20,200	4,243,970	376,552	4,620,522

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	741,508

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1/ A2	Capital Grants for Tax Stamps	353

Office for National Statistics

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Providing statistical and registration services			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Reserve claim</u>			
A1	To increase provision by £5,400,000 in respect of the onerous contract for occupancy of Drummond Gate. All non-cash.	5,400,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A1, A2	Transfer from BERR in respect of Construction Statistics consisting of £152k Programme and £1120k Admin. All near-cash.	1,272,000	
<u>Other changes</u>			
A1	Full draw down of Departmental Unallocated Provision to meet in year pressures. All near-cash.	6,000,000	
		<u>Total</u>	<u>-</u>
Total change in resources for RfR1		12,672,000	12,672,000
Total change in resources for Estimate			12,672,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £10,975,000.
3. Symbols are explained in the Introduction to this booklet.

Office for National Statistics

Part I

		£
RfR 1: Providing statistical and registration services	†	12,672,000
Total additional net resource requirement		12,672,000
Additional net cash requirement	†	10,975,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Office for National Statistics Office on:

RfR 1: Providing statistical and registration services

Collection, preparation and dissemination of economic, social, labour market and other statistics; preparatory work required to implement the Statistics and Registration Service Act (2007); register services, departmental administration and associated non-cash items.

The **Office for National Statistics** will account for this Estimate.

† The Construction Statistics function was transferred from the Department for Business, Enterprise and Regulatory Reform (BERR) on 1 March 2008. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- i) the net resource requirement is increased by £ 1,272,000; and
- ii) the net cash requirement is increased by £ 1,272,000.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Providing statistical and registration services					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	162,504	12,672	-	12,672	175,176
Total RfR 1		12,672	-	12,672	
Total Changes to RfRs		12,672	-	12,672	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	27,830	-	27,830
Non-Operating A in A	250	-	250
Net cash requirement	168,113	10,975	179,088

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								
223,572	152	-	223,724	48,548	175,176	27,830	250	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
223,572	152	-	223,724	48,548	175,176	27,830	250	
Total for Estimate:								
223,572	152	-	223,724	48,548	175,176	27,830	250	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	162,504	12,672	175,176
Voted capital items			
Capital	27,830	-	27,830
<i>Less:</i> Non-operating A in A	250	-	250
Total net voted capital	27,580	-	27,580
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,300	-	-3,300
Depreciation	-21,933	-	-21,933
New provisions and adjustments to previous provisions	-3,750	-1,890	-5,640
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-67	-	-67
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	2,272	-4,500	-2,228
Increase(-)/decrease (+) in creditors	-4,865	5,865	1,000
Use of provisions	9,672	-1,172	8,500
Total accruals to cash adjustments	-21,971	-1,697	-23,668
Excess cash to be CFERd	-	-	-
Net Cash Requirement	168,113	10,975	179,088

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	175,024
Total Net Administration Costs	175,024
Net Programme Costs	
RfR1	152
Total Net Programme costs	152
Total Net Operating Cost	175,176
<i>of which:</i>	
Net Resource Requirement	175,176
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	176,203

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	175,176
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	175,176
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	1,027
Other adjustments	-
Resource Budget (Budget)	176,203
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	176,203
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	27,580
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	27,580
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	27,580
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Karen Dunnell, Director of the Office for National Statistics

Karen Dunnell as the Accounting Officer of the Office for National Statistics has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office for National Statistics.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Providing statistical and registration services	
Administration	48,548
<i>of which:</i>	
Sale of goods and services	48,198
EU income	350
Programme	
<i>of which:</i>	
Sale of goods and services	-
Total RfR1	48,548 †
<i>† 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 Union and the public.</i>	
Total Operating A in A	48,548

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

RfR 1: Providing statistical and registration services	
Programme	250
<i>of which:</i>	
Sale of assets	250
Total RfR1	250 †
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: recovery of income from the sale of surplus assets.</i>	
Total Non - operating A in A	250

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	12,672	-6,000	175,176	1,027	176,203
<i>of which:</i>					
Administration budget †	12,520	-6,000	175,024	1,027	176,051
Near-cash in RDEL	10,782	-7,172	144,236	9,527	153,763
Capital DEL ††		-	27,580	-	27,580
Less Depreciation †††	-	-	-21,933	-	-21,933
Total	12,672	-6,000	180,823	1,027	181,850

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

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

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

Cash which may be retained to offset expenditure

£'000
48,798

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

Government Actuary's Department

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Providing an actuarial consultancy service			
Section	Reason for change		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
A5	Admin, Near Cash, to reduce appropriation -in-aid provision by £222,000 to cover a shortfall in fee income from clients.	222,000	
		<u>Total</u>	<u>-</u>
Total change in resources for RfR1		222,000	222,000
Total change in resources for Estimate			222,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £ 222,000.
3. Symbols are explained in the Introduction to this booklet.

Government Actuary's Department

Part I

	£
RfR 1: Providing an actuarial consultancy service	222,000
Total additional net resource requirement	222,000
Additional net cash requirement	222,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Government Actuary's Department on:

RfR 1: Providing an actuarial consultancy service

Administration costs incurred in providing an actuarial consultancy service to Government and to other clients principally in the public sector, advising mainly on social security and pension schemes, population and other statistical studies and supervision of insurance and associated non-cash items.

The **Government Actuary's Department** will account for this Estimate.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Providing an actuarial consultancy service					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	572	-	-222	222	794
Total RfR 1		-	-222	222	
Total Changes to RfRs		-	-222	222	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	228	-	228
Non-Operating A in A	-	-	-
Net cash requirement	286	222	508

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 an actuarial consultancy service								
13,700	46	-	13,746	12,906	840	228	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
13,700	-	-	13,700	12,906	794	228	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B Losses on revaluation of fixed assets								
-	46	-	46	-	46	-	-	
Total for Estimate:								
13,700	46	-	13,746	12,906	840	228	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	618	222	840
Voted capital items			
Capital	228	-	228
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	228	-	228
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-108	-	-108
Depreciation	-422	-	-422
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-37	-	-37
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	7	-	7
Total accruals to cash adjustments	-560	-	-560
Excess cash to be CFERd	-	-	-
Net Cash Requirement	286	222	508

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	794
Total Net Administration Costs	794
Net Programme Costs	
RfR1	46
Total Net Programme costs	46
Total Net Operating Cost	840
<i>of which:</i>	
Net Resource Requirement	840
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	840

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	840
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	840
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	840
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	794
Annually Managed Expenditure (AME)	46

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	228
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	228
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	228
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Andrew Johnston, Acting Permanent Head of Department

Andrew Johnston as the acting Accounting Officer (AO) of the Government Actuary's Department has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Government Actuary's Department.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	<u>2007-08 Provision</u>
RfR 1: Providing an actuarial consultancy service	
Administration	12,906
<i>of which:</i>	
Sale of goods and services	12,906
Total RfR1	12,906 †
<i>† Amount that may be applied as appropriation in aid in addition to the net total, arising from: receipts for payments of actuarial, internal audit, accommodation and facilities management services, financial, payroll and IT services.</i>	
Total Operating A in A	12,906

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	222	-	794	-	794
<i>of which:</i>					
Administration budget †	222	-	794	-	794
Near-cash in RDEL	222	-	273	7	280
Capital DEL ††	-	-	228	-	228
Less Depreciation †††	-	-	-376	-	-376
Total	222	-	646	-	646

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

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

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

Cash which may be retained to offset expenditure

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

£'000
12,906

Cabinet Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives			
<u>Section</u>	<u>Reason for change</u>		
<u>DEL Reserve Claims</u>			
B3	Drawdown from the Reserve to cover V matched funding for Office of the Third Sector to increase Grants within near-cash RDEL	4,729,000	
<u>Take up of DEL End Year Flexibility (EYF)</u>			
B3	Resource End Year Flexibility drawdown to cover grant expenditure for necessary Third Sector Projects to increase Grants within near-cash RDEL	3,300,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A1	A transfer to Departmental of Health to fund the Parliamentary Counsel Office. Adjustment to decrease administration within near-cash RDEL		-370,000
<u>Neutral changes within RDEL spending</u>			
B3:A3	A transfer from grants in Office of the Third Sector to grants in Cabinet Office to cover payments of grants out of core Cabinet Office. Adjustment £ 1,299,000 to decrease Office of the Third Sector grants and increase Cabinet Office grants within near-cash RDEL.		
A3:B3	Reclassification from core Cabinet Office grants of £ 3,000,000 to Office of the Third Sector grants. Adjustment to decrease core Cabinet Office grants and increase the Office of the Third sector grants within near-cash RDEL		
A2:A5	Reclassification from Cabinet Office programme to Office of the Third Sector grants. Adjustment to decrease core Cabinet Office programme expenditure, near-cash RDEL and appropriations in aid by £ 300,000.		
B3:B5	Reclassification from core Cabinet Office programme to Office of the Third Sector grants. Adjustment to increase by £ 300,000 Office of the Third Sector grants and appropriations in aid within near-cash RDEL		
B1:C1	Reclassification from Office of the Third Sector to Social Exclusion Task Force. Adjustment to decrease Office of the Third Sector and increase Social Exclusion Task Force administration expenditure within near-cash RDEL by £ 369,000.		

A1:C1	Reclassification from core Cabinet Office to Social Exclusion Task Force. Adjustment to decrease core Cabinet Office and increase Social Exclusion Task Force administration expenditure within near-cash RDEL by £ 523,000.
A5:C5	Reclassification from Cabinet Office appropriations in aid to Social Exclusion Task Force appropriations in aid. Adjustment to decrease core Cabinet Office appropriations in aid and increase Social Exclusion Task Force appropriations in aid by £ 65,000.
A1:A2	Transfer Administration to Programme within near cash RDEL to enable the core Cabinet Office to accurately profile its 2007-08 near cash budget. Adjustments to decrease Administration and increase Programme within near-cash RDEL £ 33,500,000.
A1:A2	Transfer Administration to Programme within non-cash RDEL to cover capital charges arising on programme projects within the core Cabinet Office. Adjustment to decrease Administration and increase Programme within non-cash RDEL of £ 10,500,000.

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

A1:A7	A transfer from non-cash Administration in RDEL to Capital DEL to cover additional pressures which have arisen on IT projects within the core Cabinet Office. Adjustment to decrease non-cash Administration in RDEL	-6,000,000
	<u>Total</u>	8,029,000
	Total change in resources for RfR1	1,659,000
	Total change in resources for Estimate	1,659,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Transfers from resource spending to capital spending (not capital grants)</u>			
A1:A7	A transfer from non-cash Administration in RDEL to increase Capital DEL to cover additional pressures which have arisen on IT projects within the core Cabinet Office	6,000,000	
A8	Proceeds from the sale of a minibus. Adjustment to increase non-operating Appropriations in Aid		-3,000
	<u>Total</u>	6,000,000	-3,000
	Total change in capital for Estimate		5,997,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £16,820,000.

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

Cabinet Office

Part I

£

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	1,659,000
Total additional net resource requirement	1,659,000
Additional net cash requirement	16,820,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Cabinet Office on:

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

The Prime Minister's Office; the Offices of the Chancellor of the Duchy of Lancaster and Ministers in the Cabinet Office and the Secretary of the Cabinet and Head of the Home Civil Service; Parliamentary Counsel Office; Government Communication; Civil Service Capabilities Group; Transformational Government; Economic and Domestic Secretariat; European Secretariat; Security, Intelligence and Resilience; Defence and Overseas Secretariat; Office of the Third Sector; Social Exclusion Task Force; Strategy Unit; Ceremonial Secretariat; Lord President of the Council and the Leader of the House of Lords and the Leader and Deputy Leader of the House of Commons and the Offices of the Government Whips in the House of Commons and the House of Lords; and various other units; payments to former Prime Ministers; the central management of, and delivery of services to, the Civil Service and wider public sector; improving public services; civil service reform; cross-departmental IT systems; co-ordination of cross-cutting issues; grants in aid to not-for-profit organisations including the Civil Service Benevolent Fund, Civil Service Sports Council, Civil Service Retirement Fellowship, and Capacity Builders (UK) Limited, and Commission for the Compact Limited, Executive NDPB's; grants to organisations working in the Third Sector and to Local Authorities and other organisations including Chequers Trust, Disability Partnership and the Whitehall and Industry Group; and associated non-cash items.

The **Cabinet 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
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Cabinet Office	216,933	-8,894	-365	-8,529	208,404
RfR 1 - B Office of the Third Sector	121,468	9,661	300	9,361	130,829
RfR 1 - C Social Exclusion Task Force	880	892	65	827	1,707
Total RfR 1		1,659	-	1,659	
Total Changes to RfRs		1,659	-	1,659	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	37,238	6,000	43,238
Non-Operating A in A	21	3	24
Net cash requirement	357,341	16,820	374,161

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								
201,614	117,072	174,947	493,633	104,635	388,998	43,238	24	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Cabinet Office								
196,457	106,412	4,740	307,609	99,205	208,404	43,209	24	
B Office of the Third Sector								
3,385	10,660	122,149	136,194	5,365	130,829	29	-	
C Social Exclusion Task Force								
1,772	-	-	1,772	65	1,707	-	-	
<i>Support for Local Authorities</i>								
D London Fire and Emergency Planning Authority								
-	-	606	606	-	606	-	-	
E Security								
-	-	12,724	12,724	-	12,724	-	-	
Non-Budget								
F Exexecutive NDPB's								
-	-	34,728	34,728	-	34,728	-	-	
Total for Estimate:								
201,614	117,072	174,947	493,633	104,635	388,998	43,238	24	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	387,339	1,659	388,998
Voted capital items			
Capital	37,238	6,000	43,238
<i>Less: Non-operating A in A</i>	<i>21</i>	<i>3</i>	<i>24</i>
Total net voted capital	37,217	5,997	43,214
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-9,281	-3,721	-13,002
Depreciation	-36,358	19,721	-16,637
New provisions and adjustments to previous provisions	-	-1,500	-1,500
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-226	14	-212
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-25,100	-6,100	-31,200
Increase(-)/decrease (+) in creditors	3,000	-	3,000
Use of provisions	750	750	1,500
Total accruals to cash adjustments	-67,215	9,164	-58,051
Excess cash to be CFERd	-	-	-
Net Cash Requirement	357,341	16,820	374,161

Part III: Extra receipts payable to the Consolidated Fund

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

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	293	293
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	-	-	293	293

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	166,688
Total Net Administration Costs	166,688
Net Programme Costs	
RfR1	222,310
Non-voted	-
Total Net Programme costs	222,310
Total Net Operating Cost	388,998
<i>of which:</i>	
Net Resource Requirement	388,998
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	357,570

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	388,998
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	388,998
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-41,652
European Union income related to capital grants	-
voted expenditure outside the budget	-34,728
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	37,842
unallocated resource provision	-
Other adjustments	7,110
Resource Budget (Budget)	357,570
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	357,570
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	43,214
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	175
capital grants	41,652
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	85,041
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	85,041
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Sir Gus O' Donnell, Permanent Head of the Department

Sir Gus O'Donnell as the Accounting Officer of the Cabinet Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Cabinet Office.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	
Administration	34,926
<i>of which:</i>	
Sale of goods and services	29,965
Other Rentals	3,094
Recovery of Seconded Costs	1,867
Programme	69,709
<i>of which:</i>	
Sale of goods and services	53,518
Interest receivable private sector other	5,000
Other grant income (including repayments of grants/subsidies)	11,191
Total RfR1	104,635 †
<i>† Amount that may be applied as operating appropriations-in-aid in addition to the net total, arising from: income from minor occupiers of the Department's buildings and other accommodation income; sales of goods and services to other government departments, public bodies and general public; income in respect of central management costs of the Principal Civil Service Pensions Scheme (PCSPS); recovery of costs of staff on secondment and on loan; Emergency Planning College receipts for training courses and rent; recovery of costs from other government departments for cost sharing arrangements; recoveries in respect of Honours and Dignities; other grant income; interest receivable from the private sector and certain other services.</i>	
Total Operating A in A	104,635

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

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	
Programme	24
<i>of which:</i>	
Proceeds from sale of fixed assets	3
Loan principal repayments	21
Total RfR1	24 †
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: repayment of loan principal by the Civil Service Sports Council and the London Hostels Association; proceeds from the sale of fixed assets.</i>	
Total Non - operating A in A	24

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1,659	-75	312,618	44,952	357,570
<i>of which:</i>					
Administration budget*	-50,370	-	166,688	-	166,688
Near-cash in RDEL	16,923	-75	282,767	44,952	327,719
Capital**	5,997	75	84,866	175	85,041
Less Depreciation†	19,721		-16,637	-	-16,637
Total	27,377	-	380,847	45,127	425,974

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	104,659

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1 - A	Pension payments	8
RfR1 - A	Grants made by the Cabinet Office	4,732
RfR1 - B	Grants made by the Office of the Third Sector	122,149
RfR1 - D	Grants to Local Authorities: London Fire and Emergency Planning Authority	606
RfR1 - E	Grants to Local Authorities for security purposes	12,724
RfR1 - F	Grants in aid to ENDPB's	34,728
	TOTAL	174,947

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1 - F	Capacity Builders UK Ltd - ENDPB	33,404
RfR1 - F	Commission for the Compact Ltd - ENDPB	1,324
	Total	<hr/> 34,728

Security and Intelligence Agencies

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Protecting and promoting the national security and economic well being of the UK			
<u>Section</u>	<u>Reason for change</u>		
Changes related to movements in Budgets			
	<u>Take up of Programme non cash EYF</u>	7,096,000	
A	For the expansion and capabilities of the Security and Intelligence Agencies		
<u>Budget Cover Transfer from/to other Government departments</u>			
A	Transfer from FCO for the expansion and capabilities of the Security and Intelligence Agencies	2,200,000	
A	Transfer from FCO for the expansion and capabilities of the Security and Intelligence Agencies	5,000,000	
A	Transfer from FCO for the expansion and capabilities of the Security and Intelligence Agencies	100,000	
A	Transfer from FCO for the expansion and capabilities of the Security and Intelligence Agencies	50,000	
A	Transfer from HO for the expansion and capabilities of the Security and Intelligence Agencies	150,000	
A	Transfer to HO for joint projects		-3,019,000
<u>Changes in operating appropriations-in-aid (not offset by changes in spending)</u>			
A	Increase in Administration income not being offset by an increase in expenditure		-10,236,000
A	Decrease in programme income of £748,000 being offset by a decrease in programme expenditure of £1,250,000. The remaining £502,000 decrease in expenditure is not being offset by a decrease in programme income	748,000	-1,250,000
A	Increase in Administration income of £1,533,000 being offset by an increase in Administration expenditure of £1,414,000. The remaining £119,000 decrease in expenditure is not being offset by a decrease in income	1,414,000	-1,533,000

Other changes

A	<u>Other changes in DEL spending</u> Reclassification of 25,000,000 non-cash from DEL to AME for impairments			-25,000,000
B	<u>Changes in Annually Managed Expenditure (AME)</u> Reclassification of 25,000,000 non-cash from DEL to AME for impairments		25,000,000	
		<u>Total</u>	41,758,000	-41,038,000
Total change in resources for RfR1				720,000
Total change in resources for Estimate				720,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>	
<u>Changes related to movements in budgets</u>				
A	<u>Drawdown of Capital DUP</u> For the expansion and capability of the Security and Intelligence Agencies	27,274,000		
A	<u>Other changes in DEL spending</u> Change arising from change in rules for budgeting of prepayments over £20,000,000	3,601,000		
<u>Other changes</u>				
A	<u>Changes in non-operating appropriations-in-aid (fully offset by a change in expenditure)</u> For the expansion and capabilities of the Security and Intelligence Agencies	4,361,000	-4,361,000	
		<u>Total</u>	35,236,000	-4,361,000
Total change in capital for Estimate				30,875,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £34,504,000

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	720,000
Total additional net resource requirement	720,000
Additional net cash requirement	34,504,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Security and Intelligence Agencies on:

RfR 1: Protecting and promoting the national security and economic well being of the UK

Administration and operational costs, research and development works, equipment and other payments, and associated non-cash items.

The **Security and Intelligence Agencies** will account for this Estimate.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Protecting and promoting the national security and economic well being of the UK					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Security and Intelligence Agencies	1,544,072	-13,259	11,021	-24,280	1,519,792
Spending in Annually Managed Expenditure (AME)					
RfR1 - B Impairments	6,681	25,000	-	25,000	31,681
Total RfR 1		11,741	11,021	720	
Total Changes to RfRs		11,741	11,021	720	

	£000		
	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	296,549	35,236	331,785
Non-Operating A in A	6,880	4,361	11,241
Net cash requirement	1,618,365	34,504	1,652,869

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Protecting and promoting the national security and economic well being of the UK								
939,180	698,955	-	1,638,135	86,662	1,551,473	331,785	11,241	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Security and Intelligence Agencies								
939,180	667,274	-	1,606,454	86,662	1,519,792	331,785	11,241	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B Impairments								
-	31,681	-	31,681	-	31,681	-	-	
Total for Estimate:								
939,180	698,955	-	1,638,135	86,662	1,551,473	331,785	11,241	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	1,550,753	720	1,551,473
Voted capital items			
Capital	296,549	35,236	331,785
<i>Less:</i> Non-operating A in A	6,880	4,361	11,241
Total net voted capital	289,669	30,875	320,544
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-29,183	-6,479	-35,662
Depreciation	-168,887	-48,055	-216,942
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-50,019	6,231	-43,788
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	26,032	51,212	77,244
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-222,057	2,909	-219,148
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,618,365	34,504	1,652,869

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	879,278
Total Net Administration Costs	879,278
Net Programme Costs	
RfR1	672,195
Total Net Programme costs	672,195
Total Net Operating Cost	1,551,473
<i>of which:</i>	
Net Resource Requirement	1,551,473
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	1,551,473

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	1,551,473
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	1,551,473
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Other adjustments	-
Resource Budget (Budget)	1,551,473
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,519,792
Annually Managed Expenditure (AME)	31,681

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	320,544
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	320,544
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	320,544
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Sir Gus O'Donnell

Sir Gus O'Donnell as the Accounting Officer of the Security and Intelligence Agencies has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Security and Intelligence Agencies.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Protecting and promoting the national security and economic well being of the UK	
Administration	59,902
<i>of which:</i>	
Sale of goods and services	59,902
Programme	26,760
<i>of which:</i>	
Sale of goods and services	26,760
Total RfR1	86,662 †
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total, arising from: the sales of services to other government departments, the recovery of costs of staff on loan, recovery from staff for miscellaneous items and certain other services.</i>	
Total Operating A in A	86,662

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

RfR 1: Protecting and promoting the national security and economic well being of the UK	
Programme	11,241
<i>of which:</i>	
Sale of assets	11,241
Total RfR1	11,241 †
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of fixed assets and from the sale of freehold interest and land.</i>	
Total Non - operating A in A	11,241

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-24,280	-	1,519,792	-	1,519,792
<i>of which:</i>					
Administration budget †	-10,355	-	879,278	-	879,278
Near-cash in RDEL	-47,583	-	1,248,400	-	1,248,400
Capital DEL ††	30,875	-	320,544	-	320,544
Less Depreciation †††	-23,055	-	-191,942	-	-191,942
Total	-16,460	-	1,648,394	-	1,648,394

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	86,662

Cabinet Office: Civil superannuation

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Changes in Annually Managed Expenditure (AME)</u>		
A	Changes in operating appropriations in aid (fully offset by changes in spending)	34,001,000	-34,000,000
		<u>Total</u>	
Total change in resources for RfR1		34,001,000	-34,000,000
			1,000
Total change in resources for Estimate			1,000

2. As a result of the above and non-cash adjustments, there is no change in the net cash requirement of £ 950,000,000.

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

Part I

	£
RfR 1: Civil superannuation	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Cabinet Office on:

RfR 1: Civil superannuation

The superannuation of civil servants; pensions etc., and other pensions and non-recurrent payments; and for other related services and associated non-cash items.

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

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Civil superannuation					
Spending in Annually Managed Expenditure (AME)					
<i>Central government spending</i>					
RfR 1 - A Civil superannuation	7,616,000	34,001	34,000	1	7,616,001
Total RfR 1		34,001	34,000	1	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	950,000	-	950,000

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Civil superannuation								
-	-	10,933,001	10,933,001	3,317,000	7,616,001	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
A Civil superannuation								
-	-	10,933,001	10,933,001	3,317,000	7,616,001	-	-	
Total for Estimate:								
-	-	10,933,001	10,933,001	3,317,000	7,616,001	-	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net total Resources	7,616,000	1	7,616,001
Voted capital items			
Capital expenditure	-	-	-
<i>Less: non-operating A in A</i>	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-10,891,370	-32,630	-10,924,000
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-83,000	67,000	-16,000
Increase(-)/decrease (+) in creditors	1,235	-	1,235
Use of provisions	4,307,135	-184,371	4,122,764
Total accruals to cash adjustments	-6,666,000	-150,001	-6,816,001
Excess cash to be CFERd	-	150,000	150,000
Net cash requirement	950,000	-	950,000

Part III: Extra receipts payable to the Consolidated Fund

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

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	17,000	<i>17,000</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	<i>150,000</i>
Total	-	-	17,000	<i>167,000</i>

Forecast Combined Revenue Account

	£'000
	2007-08 provision
Income	
Contributions received	3,111,000
Transfers in	137,000
Other income receivable	86,000
Total Income	3,334,000
Expenditure	
Increase in liability	4,910,000
Interest on scheme liability	6,014,000
Other expenditure	9,001
Total Expenditure	10,933,001
Total Net Operating Cost	7,599,001
<i>of which:</i>	
Net Resource Outturn	7,616,001
CFERs	-17,000
Non-voted expenditure	-
Resource Budget Outturn	7,599,001

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Outturn (Estimates)	7,616,001
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-17,000
Other adjustments	-
Net Operating Costs (Accounts)	7,599,001
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	7,599,001
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	7,599,001

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital Outturn (Estimates)	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Sir Gus O'Donnell, Permanent Head of the Cabinet Office

Sir Gus O'Donnell, as the Accounting Officer (AO) of the Cabinet Office has personal responsibility for the the proper presentation of the Cabinet Office: Civil Superannuation's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The AO as the permanent head in addition to the responsibilities for an assigned RfR, remains in general overall charge of the Cabinet Office.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies,

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000
2007-08
Provision

RfR 1: Civil superannuation

Pension scheme related income 3,317,000

Total RfR 1 3,317,000 †

† Amount that may be applied as appropriations in aid in addition to the net total, arising from: charges received from departments and others on account of the cost of pension cover provided for their staff; periodical contributions for widows', widowers' and dependants' benefits, other superannuation contributions and transfer values and bulk transfer value receipts.

Total operating A in A 3,317,000

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund Extra Receipts (CFERs)

		£'000	
		2007-08 provision	
		Income	Receipts
Pension scheme income	△	17,000	17,000
Excess cash surrendered	●	-	150,000
Total		17,000	167,000

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 (operating and non-operating) that has been or will be appropriated in aid	3,317,000

Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL End-Year Flexibility</u>		
Section A	To fund: the continuing costs of the investigation into the regulation of Equitable Life; and the costs of strategic restructuring of the office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England (all near-cash costs).	400,000	-
		<u>Total</u>	<u>-</u>
	Total change in resources for RfR1	400,000	400,000
	Total change in resources for Estimate		400,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £400,000.

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

Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England

Part I

	£
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	400,000
Total additional net resource requirement	400,000
Additional net cash requirement	400,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England on:

RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England

Administration costs; capital expenditure; providing services to support the Public Services Ombudsman for Wales, the Scottish Public Services Ombudsman and the Northern Ireland Ombudsman; and associated non-cash items.

The **Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England** will account for this Estimate.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	24,026	400	-	400	24,426
Total RfR 1		400	-	400	
Total Changes to RfRs		400	-	400	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	1,537	-	1,537
Non-Operating A in A	-	-	-
Net cash requirement	24,541	400	24,941

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England								
-	24,773	-	24,773	347	24,426	1,537	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
-	24,773	-	24,773	347	24,426	1,537	-	
Total for Estimate:								
-	24,773	-	24,773	347	24,426	1,537	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>Revised</u>
			£'000
Net Resource Requirement	24,026	400	24,426
Voted capital items			
Capital	1,537	-	1,537
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	1,537	-	1,537
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-75	-	-75
Depreciation	-1,244	-	-1,244
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-53	-	-53
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	350	-	350
Total accruals to cash adjustments	-1,022	-	-1,022
Excess cash to be CFERd	-	-	-
Net Cash Requirement	24,541	400	24,941

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	-
Total Net Administration Costs	-
Net Programme Costs	
RfR1	24,426
Non-voted	187
Total Net Programme costs	24,613
Total Net Operating Cost	24,613
<i>of which:</i>	
Net Resource Requirement	24,426
Non-voted expenditure	187
Consolidated Fund Extra Receipts	-
Resource Budget	24,613

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	24,426
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	187
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	24,613
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	24,613
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	24,613
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	1,537
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	1,537
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,537
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Parliamentary Commissioner for Administration and the Health Service Commissioner for England (known as the Parliamentary and Health Service Ombudsman (PHSO)) is appointed by Her Majesty by Letters Patent and is ex-officio Accounting Officer for the Request for Resources within the Office's Estimate.

Request for Resources 1

Ms Ann Abraham, Parliamentary Commissioner for Administration and Health Service Commissioner for England

Ann Abraham, as the ex-officio Accounting Officer of the Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England, has agreed with the Treasury that the Accounting Officer duties as laid down in Managing Public Money apply.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 provision
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	
Programme	347
<i>of which:</i>	
Sale of goods and services	347
Total RfR1	347 †
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges levied on the Public Services Ombudsman for Wales, the Scottish Public Services Ombudsman, the Northern Ireland Ombudsman, the Commissioner for Local Administration in England and the Commissioner for Information for the provision of Ombudsman and support services; and recovery of costs of staff on loan.</i>	
Total Operating A in A	347

Notes to the Estimate (*continued*)**Departmental Expenditure Limits and Administration Budgets**

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	400	-	24,426	187	24,613
<i>of which: †</i>					
Administration budget	-	-	-	-	-
Near-cash in RDEL	400	-	23,054	537	23,591
Capital DEL ††	-	-	1,537	-	1,537
Less Depreciation †††	-	-	-1,244	-	-1,244
Total DEL	400	-	24,719	187	24,906

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	347

House of Lords

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Members' expenses and administration, etc.			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
Subhead B2	Decrease in depreciation and cost of capital charges due to movements in the value of the House of Lords' share of the Parliamentary Estate.	-	-9,487,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
Subhead C2	Increase in non-cash costs due to movements in the value of the House of Lords' share of the Parliamentary Estate.	22,972,000	-
		<u>Total</u>	
Total change in resources for RfR1		22,972,000	-9,487,000
			13,485,000
Total change in resources for Estimate			13,485,000

2. As a result of the above and non-cash adjustments, there is no increase in the net cash requirement.

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

House of Lords

Part I

	£
RfR 1: Members' expenses and administration, etc.	13,485,000
Total additional net resource requirement	13,485,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the House of Lords on:

RfR 1: Members' expenses and administration, etc.

Members' expenses; administrative and accommodation costs, including staff salaries and pensions; security; stationery; printing; financial assistance to opposition parties; a grant in aid to the History of Parliament Trust; and associated non-cash items.

The **House of Lords Administration** will account for this Estimate

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Members' expenses and administration, etc.					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR1 - B Works services	50,634	-9,487	-	-9,487	41,147
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR1 - C Administration	1,159	22,972	-	22,972	24,131
Total RfR 1		13,485	-	13,485	
Total Changes to RfRs		13,485	-	13,485	

£000

	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	34,350	-	34,350
Non-Operating A in A	-	-	-
Net cash requirement	111,334	-	111,334

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: Members' expenses and administration, etc.								
-	126,503	7,640	134,143	6,469	127,674	34,350	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
-	63,578	4,078	67,656	5,260	62,396	949	-	
B Works services								
-	42,356	-	42,356	1,209	41,147	33,401	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
C Administration								
-	20,569	3,562	24,131	-	24,131	-	-	
Total for Estimate:								
-	126,503	7,640	134,143	6,469	127,674	34,350	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	114,189	13,485	127,674
Voted capital items			
Capital	34,350	-	34,350
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	34,350	-	34,350
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-20,067	3,258	-16,809
Depreciation	-14,922	-16,743	-31,665
New provisions and adjustments to previous provisions	-7,302	-	-7,302
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-110	-	-110
Increase(+)/decrease (-) in stock	15	-	15
Increase(+)/decrease (-) in debtors	-100	-	-100
Increase(-)/decrease (+) in creditors	2,332	-	2,332
Use of provisions	2,949	-	2,949
Total accruals to cash adjustments	-37,205	-13,485	-50,690
Excess cash to be CFERd	-	-	-
Net Cash Requirement	111,334	-	111,334

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	-
Total Net Administration Costs	-
Net Programme Costs	
RfR1	127,674
Non-voted	-
Total Net Programme costs	127,674
Total Net Operating Cost	127,674
<i>of which:</i>	
Net Resource Requirement	127,674
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	127,674

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	127,674
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	127,674
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	127,674
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	103,543
Annually Managed Expenditure (AME)	24,131

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	34,350
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	34,350
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	34,350
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Clerk of the Parliaments is appointed by Her Majesty by Letters Patent and is ex-officio Accounting Officer for the Requests for Resources within the House of Lords Estimate.

Request for Resources 1

Michael Pownall, Clerk of the Parliaments

Michael Pownall as the Accounting Officer of the House of Lords has personal responsibility for the proper presentation of the House's resource accounts and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the House of Lords administration.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08
	<hr/>
RfR 1: Members' expenses and administration, etc.	
Administration	-
<i>of which:</i>	
Programme	6,469
<i>of which:</i>	
Sale of goods and services	5,427
Pension scheme related income	1,042
<hr/> Total RfR1	<hr/> 6,469 †
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: judicial proceedings; private bills; taxation of costs; reproduction of works of art; fees; refreshment department sales; rental income; and other charges.</i>	
<hr/> Total Operating A in A	<hr/> 6,469

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-9,487	-	103,543	-	103,543
<i>of which: †</i>					
<i>Administration budget</i>	-	-	-	-	-
<i>Near-cash in RDEL</i>	-	-	71,803	-	71,803
Capital DEL ††	-	-	34,350	-	34,350
Less Depreciation †††	6,229	-	-8,693	-	-8,693
Total DEL	-3,258	-	129,200	-	129,200

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	6,469

House of Commons: Members

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Members' salaries, allowances and other costs			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
Subhead A2	Additional near-cash, programme spending of £8,260,000 and a reduction in non-cash, programme spending of £1,800,000 to cover the new Communications Allowance.	6,460,000	-
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
Section A	Switch of provision from grants (subhead A3) to other current spending (subhead A2) to correct the Main Estimate.	4,922,000	-4,922,000
		<u>Total</u>	<u>11,382,000</u>
		Total change in resources for RfR1	6,460,000
			6,460,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £8,260,000.

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

House of Commons: Members

Part I

£

RfR 1: Members' salaries, allowances and other costs	6,460,000
Total additional net resource requirement	6,460,000
Additional net cash requirement	8,260,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the House of Commons: Members on:

RfR 1: Members' salaries, allowances and other costs

Remunerating and supporting the Members of the House of Commons in discharging their duties and responsibilities in the constituency, in Parliament and elsewhere by funding: payment of parliamentary salaries and associated pension contributions; reimbursement of certain expenses incurred by Members (including travel, office costs, staff and equipment); payment for insurance; central provision of IT equipment; provision of training for Members and their staff; financial assistance to Opposition parties to support them in the discharge of their parliamentary or representative functions; an Exchequer contribution to the Members' Fund; other associated costs; and non-cash items.

The Clerk of the **House of Commons** will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000	
					New Net Provision	
RfR 1: Members' salaries, allowances and other costs						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1 - A	Members' salaries, allowances and other costs	163,150	6,460	-	6,460	169,610
Total RfR 1			6,460	-	6,460	
Total Changes to RfRs			6,460	-	6,460	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	250	-	250
Non-Operating A in A	2	-	2
Net cash requirement	162,398	8,260	170,658

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
RfR 1: Members' salaries, allowances and other costs							
-	162,532	7,078	169,610	-	169,610	250	2
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Members' salaries, allowances and other costs							
-	162,532	7,078	169,610	-	169,610	250	2
Total for Estimate:							
-	162,532	7,078	169,610	-	169,610	250	2

Part II: Resource to cash reconciliation

£'000

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>Revised</u>
Net Resource Requirement	163,150	6,460	169,610
Voted capital items			
Capital	250	-	250
<i>Less:</i> Non-operating A in A	<u>2</u>	<u>-</u>	<u>2</u>
Total net voted capital	248	-	248
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	5,000	-1,000	4,000
Depreciation	-900	400	-500
New provisions and adjustments to previous provisions	-5,000	2,400	-2,600
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-100	-	-100
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
Total accruals to cash adjustments	-1,000	1,800	800
Excess cash to be CFERd	-	-	-
Net Cash Requirement	162,398	8,260	170,658

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	-
Total Net Administration Costs	-
Net Programme Costs	
RfR1	169,610
Non-voted	-
Total Net Programme costs	169,610
Total Net Operating Cost	169,610
<i>of which:</i>	
Net Resource Requirement	169,610
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	169,610

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08
	Provision
Net Resource Requirement (Estimates)	169,610
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	169,610
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	169,610
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	169,610
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08
	Provision
Net Voted Capital (Estimates)	248
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	248
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	248
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Clerk of the House of Commons, Dr M R Jack, has been appointed as Accounting Officer for the House of Commons: Members' Estimate by the Speaker.

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 House's assets, are broadly in line with those set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Managing Public Money*.

Notes to the Estimate (*continued*)

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

£'000

2007-08

RfR 1: Members' salaries, allowances and other costs

Administration	-
<i>of which:</i>	
Programme	2
<i>of which:</i>	
Sale of assets	2
Total RfR1	2 †

† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of IT equipment.

Total Non-Operating A in A	2
-----------------------------------	----------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	6,460	-	169,610	-	169,610
<i>of which: †</i>					
<i>Administration budget</i>	-	-	-	-	-
<i>Near-cash in RDEL</i>	8,260	-	170,410	-	170,410
Capital DEL ††	-	-	248	-	248
Less Depreciation †††	400	-	-500	-	-500
Total DEL	6,860	-	169,358	-	169,358

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

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

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

Cash which may be retained to offset expenditure

£'000

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

2

Grants in aid

RfR/Section	Body		£ '000
RfR1 - A	Financial assistance to opposition parties	♥	6,825
RfR1 - A	Exchequer contribution to the Member's Fund	♥	215
RfR1 - A	Other	♥	38



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