
**Central Government
Supply Estimates 2010-11
Winter Supplementary Estimates**

November 2010

Central Government Supply Estimates 2010–11

Winter Supplementary Estimates

for the year ending 31 March 2011

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

© Crown copyright 2010

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/> or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or e-mail: psi@nationalarchives.gsi.gov.uk.

Any enquiries regarding this publication should be sent to us at Correspondence Team, HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ or e-mail: public.enquiries@hm-treasury.gov.uk.

This publication is also available on <http://www.official-documents.gov.uk/>

ISBN: 97801012969290

Printed in the UK by The Stationery Office Limited
on behalf of the Controller of Her Majesty's Stationery Office

ID 2398504 10/10

Printed on paper containing 75% recycled fibre content minimum.

Contents

	Page
Section 1	
Introduction	3
Section 2	
Individual Supplementary Estimates	
Department for Education	27
Teachers' Pensions Scheme (England & Wales)	45
Department of Health	57
Food Standards Agency	75
Department for Communities and Local Government	87
Department for Business, Innovation and Skills	113
Export Credits Guarantee Department	145
Home Office	157
Ministry of Justice	177
United Kingdom Supreme Court	201
Northern Ireland Court Service	213
Crown Prosecution Service	227
Serious Fraud Office	239
Ministry of Defence	251
Foreign and Commonwealth Office	267
Department for International Development	285
Department of Energy and Climate Change	299
Department for Environment, Food and Rural Affairs	317
Department for Culture, Media and Sport	339
Department for Work and Pensions	359
Northern Ireland Office	391
HM Treasury	409
HM Revenue and Customs	425
National Savings and Investments	441
Cabinet Office	453
Security and Intelligence Agencies	473

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 269)* presented to Parliament on 7 July 2010.

Supplementary, New and Revised Estimates

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

Out-of-Turn Supplementary Estimates

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

Total Estimates to Date

4. For the current year, Main Estimates for each department were presented to Parliament on 7 July 2010.

5. The winter Supplementary Estimates presented to Parliament in this and related booklets increase resources by **£5,776,805,000 to £501,664,462,000** and cash by **£5,707,827,000 to £480,674,199,000**.

Table 1.1 Total Estimates to date	£ million	
	Resources	Cash
Main Estimates <i>(HC 269, 128, 133, 134, 149, 229)</i>	495,888	474,966
Winter Supplementary Estimates <i>(HC 536 – Section 2 of this booklet)</i>	5,777	5,708
Total	501,664	480,674

6. There are 26 Supplementary Estimates seeking changes to resources and/or cash and these are shown in **Table 1.3**.

Public Expenditure: Total Managed Expenditure

7. The main aggregate for public expenditure control is Total Managed Expenditure, which includes Departmental Expenditure Limits (DEL), for which firm four year plans were set in the 2010 Comprehensive Spending Review (Cm 7942), 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 2010 (Cm 7980)* and in Section 2 of *Central Government Supply Estimates: 2010-11 Supplementary Budgetary Information (Cm 7880)*.

8. 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).

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

Table 1.2 Expenditure within the main budgetary control aggregates, 2010-11

	£ million	
	Resource	Capital
Change in DEL	1,089	131
Change in Departmental AME	2,511	507
Total	3,600	638

Departmental Expenditure Limits

10. Individual DELs operate as limits on spending at the departmental level covering both voted and non-voted provision. An explanation of the operation of DELs and the DEL figures, capital and resource, for 2010-11 were set out in Section 2 of *Central Government Supply Estimates 2010-11– Supplementary Budgetary Information (Cm 7880)*. The presumption is that DELs, once set, will not normally be changed (other than for transfer of provision between DELs, take-up of end year flexibility, etc), even if there are unexpected fluctuations in costs or other determinants of expenditure.

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

Administration Budgets

12. **Table 1.5** shows the changes to individual departments' administration budgets agreed since they were published in Table 2.3 of *Cm 7880*.

Provisional outturn for the first half of 2010-11

13. **Table 1.6** gives provisional estimated outturn for resource Supply expenditure in the first six months of the financial year of 2010-11 on all Estimates.

14. Estimated expenditure is compared with forecasts of expenditure in the first six months prepared by departments earlier in the financial year. Expenditure is currently estimated to be 0.2 per cent above that forecast for the first half-year.

- Parliamentary Procedure** 15. Supplementary Estimates seek funds for expenditure in addition to that sought in previous Supply Estimates for the same financial year. They may be presented to:
- (a) seek authority, and additional resources and/or cash as necessary, for any new services;
 - (b) increase the provision for existing services;
 - (c) increase net resources if a shortfall is expected in income appropriated in aid; or
 - (d) increase appropriations in aid.

16. The House of Commons has an opportunity to debate and vote on Supplementary and, where applicable, New and Revised Estimates, following detailed examination by departmental Select Committees. This process is described more fully in Section 3 of *HC 269*.

- Format of Supplementary Estimates** 17. 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 269*.

18. 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.

19. 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.

20. 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.

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

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

Public Expenditure:

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

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

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

Appendix

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
Department for Education			
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	55,441,446	617,839	56,059,285
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,917,809	-	1,917,809
Net resource requirement‡	57,359,255	617,839	57,977,094
Net cash requirement	57,405,199	611,839	58,017,038
Teachers' Pension Scheme (England & Wales)			
RfR 1: Teachers' pensions	13,213,288	68,790	13,282,078
Net resource requirement‡	13,213,288	68,790	13,282,078
Net cash requirement	2,251,415	168,493	2,419,908
Office for Standards in Education, Children's Services and Skills			
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting	186,110	-	186,110
Net resource requirement‡	186,110	-	186,110
Net cash requirement	182,324	-	182,324
Office of Qualifications and Examinations Regulation			
RfR 1: To be an independent regulator of qualifications, examinations and statutory assessments in order to secure the standards of regulated qualifications, promote the standards of regulated assessments, promote public confidence in regulated qualifications and regulated assessment arrangements, promote awareness and understanding of regulated qualifications and secure efficiency and value for money in qualifications.	17,300	-	17,300
Net resource requirement‡	17,300	-	17,300
Net cash requirement	23,491	-	23,491
Department of Health			
RfR 1: Securing health care for those who need it.	82,188,622	216,533	82,405,155
RfR 2: Securing social care for adults who need it and, at national level, protecting, promoting and improving the nation's health	3,865,677	-195,673	3,670,004
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts	15,949	-	15,949
Net resource requirement‡	86,070,248	20,860	86,091,108
Net cash requirement	85,599,471	192,405	85,791,876
National Health Service Pension Scheme			
RfR 1: National Health Service Pension Scheme	17,675,578	-	17,675,578
Net resource requirement‡	17,675,578	-	17,675,578
Net cash requirement	1	-	1
Food Standards Agency			
RfR 1: Improving food safety and the balance of people's diets	131,635	-16,059	115,576
Net resource requirement‡	131,635	-16,059	115,576
Net cash requirement	129,028	-16,059	112,969
Department for Transport			
RfR 1: Transport that works for everyone	12,881,334	-	12,881,334
Net resource requirement‡	12,881,334	-	12,881,334
Net cash requirement	13,514,107	-	13,514,107

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
Office of Rail Regulation			
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation	2	-	2
Net resource requirement‡	2	-	2
Net cash requirement	1	-	1
Department for Communities and Local Government			
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	8,962,616	1,427,358	10,389,974
RfR 2: Providing for effective devolved decision making within a national framework	26,371,577	647,626	27,019,203
Net resource requirement‡	35,334,193	2,074,984	37,409,177
Net cash requirement	35,357,365	2,085,639	37,443,004
Department for Business, Innovation and Skills			
RfR 1: To help ensure business success in an increasingly competitive world	2,115,488	16,506	2,131,994
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society	3,803,202	2,391	3,805,593
RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation	14,444,530	190	14,444,720
Net resource requirement‡	20,363,220	19,087	20,382,307
Net cash requirement	24,607,931	1	24,607,932
UK Trade & Investment			
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment	92,909	-	92,909
Net resource requirement‡	92,909	-	92,909
Net cash requirement	95,306	-	95,306
Export Credits Guarantee Department			
RfR 1: To provide export finance assistance through interest support to benefit the UK economy by supporting exports	13,309	1	13,310
RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by supporting exports	1	1	2
Net resource requirement‡	13,310	2	13,312
Net cash requirement	1	2	3
Office of Fair Trading			
RfR 1: Advancing and safeguarding the economic interests of UK consumers	62,107	-	62,107
Net resource requirement‡	62,107	-	62,107
Net cash requirement	61,873	-	61,873
Postal Services Commission			
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	1	-	1
Net resource requirement‡	1	-	1
Net cash requirement	1,200	-	1,200
Home Office			
RfR 1: Working together to protect the public	10,594,524	24,754	10,619,278
Net resource requirement‡	10,594,524	24,754	10,619,278
Net cash requirement	10,753,806	1	10,753,807

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
Charity Commission			
RfR 1: Giving the public confidence in the integrity of charity	29,334	-	29,334
Net resource requirement‡	29,334	-	29,334
Net cash requirement	28,873	-	28,873
Ministry of Justice			
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	8,708,295	130,023	8,838,318
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	26,615,385	539,572	27,154,957
RfR 3: To support the Secretary of State in discharging her 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	13,318,137	-	13,318,137
Net resource requirement‡	48,641,817	669,595	49,311,412
Net cash requirement	48,807,636	752,430	49,560,066
Ministry of Justice: Judicial Pensions Scheme			
RfR 1: Judicial Pensions Scheme	72,510	-	72,510
Net resource requirement‡	72,510	-	72,510
Net cash requirement	1	-	1
United Kingdom Supreme Court			
RfR 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.	3,423	1,000	4,423
Net resource requirement‡	3,423	1,000	4,423
Net cash requirement	2,594	-	2,594
Northern Ireland Court Service			
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	137,086	-137,086	-
Net resource requirement‡	137,086	-137,086	-
Net cash requirement	134,023	-134,023	-
The National Archives			
RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government	39,920	-	39,920
Net resource requirement‡	39,920	-	39,920
Net cash requirement	39,212	-	39,212
Crown Prosecution Service			
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.	627,665	8,185	635,850
Net resource requirement‡	627,665	8,185	635,850
Net cash requirement	631,200	8,185	639,385
Serious Fraud Office			
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	38,139	2,792	40,931
Net resource requirement‡	38,139	2,792	40,931
Net cash requirement	38,689	2,792	41,481

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
HM Procurator General and Treasury Solicitor			
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	12,945	-	12,945
Net resource requirement‡	12,945	-	12,945
Net cash requirement	16,879	-	16,879
Ministry of Defence			
RfR 1: Provision of defence capability	33,886,136	688,000	34,574,136
RfR 2: Operations and Peace-Keeping	3,130,679	16,033	3,146,712
RfR 3: War Pensions and Allowances, etc	972,691	-	972,691
Net resource requirement‡	37,989,506	704,033	38,693,539
Net cash requirement	38,850,739	104,033	38,954,772
Armed Forces retired pay, pensions etc			
RfR 1: Armed Forces retired pay, pensions etc	6,707,537	-	6,707,537
Net resource requirement‡	6,707,537	-	6,707,537
Net cash requirement	1,755,913	-	1,755,913
Foreign and Commonwealth Office			
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	1,600,448	141,730	1,742,178
RfR 2: Conflict prevention	496,000	16,413	512,413
Net resource requirement‡	2,096,448	158,143	2,254,591
Net cash requirement	2,109,148	112,878	2,222,026
Department for International Development			
RfR 1: Eliminating poverty in poorer countries	6,858,342	208,296	7,066,638
RfR 2: Conflict prevention	20,726	1,347	22,073
Net resource requirement‡	6,879,068	209,643	7,088,711
Net cash requirement	6,584,284	209,643	6,793,927
Department for International Development: Overseas Superannuation			
RfR 1: Overseas superannuation	58,611	-	58,611
Net resource requirement‡	58,611	-	58,611
Net cash requirement	100,995	-	100,995
Department of Energy and Climate Change			
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.	2,939,279	65,205	3,004,484
Net resource requirement‡	2,939,279	65,205	3,004,484
Net cash requirement	3,176,177	199,738	3,375,915
UK Atomic Energy Authority Pension Schemes			
RfR 1: Effective management of UKAEA pension schemes	283,284	-	283,284
Net resource requirement‡	283,284	-	283,284
Net cash requirement	192,407	-	192,407
Office of Gas and Electricity Markets			
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.	701	-	701
Net resource requirement‡	701	-	701
Net cash requirement	5,684	-	5,684

Table 1.3 Supplementary Estimates by department

£'000

	Present Net Provision	Increase Proposed	New Net Provision
Department for Environment, Food and Rural Affairs			
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible	5,045,125	13,577	5,058,702
RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain	45,256	-	45,256
Net resource requirement‡	5,090,381	13,577	5,103,958
Net cash requirement	5,026,729	15,402	5,042,131
Water Services Regulation Authority			
RfR 1: Regulation of the Water Industry	105	-	105
Net resource requirement‡	105	-	105
Net cash requirement	1,362	-	1,362
Department for Culture, Media and Sport			
RfR 1: Improving the quality of life through cultural and sporting activities	1,974,056	42,858	2,016,914
RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities	3,123,467	-	3,123,467
Net resource requirement‡	5,097,523	42,858	5,140,381
Net cash requirement	5,097,823	43,100	5,140,923
Department for Work and Pensions			
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	436,401	-	436,401
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	46,914,372	348,318	47,262,690
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	12,333,159	411,895	12,745,054
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	19,576,884	44	19,576,928
RfR 5: Corporate contracts and support services	1,630,682	-29,985	1,600,697
Net resource requirement‡	80,891,498	730,272	81,621,770
Net cash requirement	81,105,063	747,849	81,852,912
Government Equalities Office			
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.	71,518	-	71,518
Net resource requirement‡	71,518	-	71,518
Net cash requirement	71,517	-	71,517
Northern Ireland Office			
RfR 1: Overseeing the effective operation of the devolution settlement in Northern Ireland and representing the interests of Northern Ireland within the UK Government.	1,266,401	-1,230,583	35,818
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, Northern Ireland Act 2000 and the Northern Ireland Act 2009.	13,002,001	1,568,000	14,570,001
Net resource requirement‡	14,268,402	337,417	14,605,819
Net cash requirement	14,328,832	334,414	14,663,246

Table 1.3 Supplementary Estimates by department

£'000

	Present Net Provision	Increase Proposed	New Net Provision
HM Treasury			
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all	148,025	-21,186	126,839
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage	50,070	-	50,070
RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers	677,408	-	677,408
Net resource requirement‡	875,503	-21,186	854,317
Net cash requirement	15,861,988	-20,657	15,841,331
HM Revenue and Customs			
RfR 1: Administering the tax system efficiently and in an even-handed way, making it easy for customers to get things right, helping individuals to get targeted financial support and other entitlements.	3,391,286	37,835	3,429,121
RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.	1	1	2
RfR 3: Providing payments in lieu of tax relief to certain bodies	180,000	-	180,000
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies	40,300	-	40,300
RfR 5: Payments of Child Benefit, Child Trust Fund endowments, Health in Pregnancy Grant and Saving Gateway	12,520,001	-	12,520,001
Net resource requirement‡	16,131,588	37,836	16,169,424
Net cash requirement	16,040,831	40,186	16,081,017
National Savings and Investments			
RfR 1: Reducing the cost to the taxpayer of government borrowing now and in the future and the leveraging of National Savings and Investment's core infrastructure and capabilities	164,908	16,294	181,202
Net resource requirement‡	164,908	16,294	181,202
Net cash requirement	150,839	23,994	174,833
The Statistics Board			
RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good	310,533	-	310,533
Net resource requirement‡	310,533	-	310,533
Net cash requirement	308,533	-	308,533
Government Actuary's Department			
RfR 1: Providing an actuarial service	473	-	473
Net resource requirement‡	473	-	473
Net cash requirement	266	-	266
Crown Estate Office			
RfR 1: To maintain and enhance the value of The Crown Estate and the return obtained from it	2,365	-	2,365
Net resource requirement‡	2,365	-	2,365
Net cash requirement	2,357	-	2,357
Cabinet Office			
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	344,711	125,416	470,127
Net resource requirement‡	344,711	125,416	470,127
Net cash requirement	325,906	127,388	453,294
Security and Intelligence Agencies			
RfR 1: Protecting and promoting the national security and economic well being of the UK	1,952,044	2,554	1,954,598
Net resource requirement‡	1,952,044	2,554	1,954,598
Net cash requirement	1,920,396	98,154	2,018,550

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
Cabinet Office: Civil superannuation			
RfR 1: Civil superannuation	9,433,000	-	9,433,000
Net resource requirement‡	9,433,000	-	9,433,000
Net cash requirement	1,559,000	-	1,559,000
National School of Government			
RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government	178	-	178
Net resource requirement‡	178	-	178
Net cash requirement	531	-	531
Central Office of Information			
RfR 1: Achieving maximum communication effectiveness with best value for money	656	-	656
Net resource requirement‡	656	-	656
Net cash requirement	649	-	649
Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England			
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	34,142	-	34,142
Net resource requirement‡	34,142	-	34,142
Net cash requirement	33,556	-	33,556
House of Lords			
RfR 1: Members' expenses and administration, etc.	102,026	-	102,026
Net resource requirement‡	102,026	-	102,026
Net cash requirement	116,732	-	116,732
House of Commons: Members			
RfR 1: Members' salaries, allowances and other costs	85,250	-	85,250
Net resource requirement‡	85,250	-	85,250
Net cash requirement	93,250	-	93,250
Total net resource requirement† (Supply Estimates presented by HM Treasury)	495,409,091	5,776,805	501,185,896
Total net cash requirement (Supply Estimates presented by HM Treasury)	474,503,133	5,707,827	480,210,960

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
House of Commons: Administration			
RfR 1: House of Commons: Administrative expenditure	215,300	-	215,300
RfR 2: Grants to Other Bodies	3,700	-	3,700
Net resource requirement‡	219,000	-	219,000
Net cash requirement	200,000	-	200,000
National Audit Office			
RfR 1: Providing independent assurance to Parliament and other organisations on the management of public resources	76,600	-	76,600
Net resource requirement‡	76,600	-	76,600
Net cash requirement	75,443	-	75,443
Electoral Commission			
RfR 1: The Electoral Commission	23,540	-	23,540
Net resource requirement‡	23,540	-	23,540
Net cash requirement	23,742	-	23,742
Independent Parliamentary Standards Authority			
RfR 1: Operation of the Independent Parliamentary Standards Authority and all activities connected to its purpose	156,581	-	156,581
Net resource requirement‡	156,581	-	156,581
Net cash requirement	161,071	-	161,071
Local Government Boundary Commission for England			
RfR 1: Local Government Boundary Commission for England	2,845	-	2,845
Net resource requirement‡	2,845	-	2,845
Net cash requirement	2,983	-	2,983
Total net resource requirement (Supply Estimates presented separately)	478,566	-	478,566
Total net cash requirement (Supply Estimates presented separately)	463,239	-	463,239
Grand Total net resource requirement	495,887,657	5,776,805	501,664,462
Grand Total net cash requirement	474,966,372	5,707,827	480,674,199

‡ Total resources net of operating appropriations in aid

Table 1.4 Departmental Expenditure Limits for 2010-11

£'000

Department Group	DEL Change	New DEL Of Which	Voted	Non-Voted
Department for Education				
Resource DEL	623,339	51,286,524	42,892,810	8,393,714
Capital DEL	-43,000	6,612,572	557,499	6,055,073
Office for Standards in Education, Children's Services and Skills				
Resource DEL	-	190,196	185,852	4,344
Capital DEL	-	-	-	-
Office of Qualifications and Examinations Regulation				
Resource DEL	-	17,900	17,300	600
Capital DEL	-	5,500	5,500	-
Department of Health				
Resource DEL	20,860	101,384,380	101,141,041	243,339
Capital DEL	-	4,896,852	2,150,189	2,746,663
Food Standards Agency				
Resource DEL	-16,059	114,329	114,329	-
Capital DEL	-	601	601	-
Department for Transport				
Resource DEL	-	6,388,078	5,942,268	445,810
Capital DEL	-	7,178,550	6,450,423	728,127
Office of Rail Regulation				
Resource DEL	-	-240	-240	-
Capital DEL	-	800	800	-
Department for Communities and Local Government : Main				
Resource DEL	-43,473	3,775,683	3,337,329	438,354
Capital DEL	-70,029	6,121,935	1,305,153	4,816,782
Department for Communities and Local Government : Local Government				
Resource DEL	-2,340	25,978,399	25,863,046	115,353
Capital DEL	182	13,052	12,470	582
Department for Business, Innovation and Skills				
Resource DEL	-3,796	19,035,986	7,772,927	11,263,059
Capital DEL	-	2,002,333	699,571	1,302,762
UK Trade & Investment				
Resource DEL	-	92,888	92,888	-
Capital DEL	-	3,098	3,098	-
Export Credits Guarantee Department				
Resource DEL	868	25,168	25,168	-
Capital DEL	-	500	500	-
Office of Fair Trading				
Resource DEL	-	62,107	62,107	-
Capital DEL	-	1,298	1,298	-

Table 1.4 Departmental Expenditure Limits for 2010-11

£'000				
Department Group	DEL Change	New DEL <i>Of Which</i>	Voted	Non-Voted
Postal Services Commission				
Resource DEL	-	11	1	10
Capital DEL	-	150	150	-
Home Office				
Resource DEL	-27,570	9,419,337	8,399,252	1,020,085
Capital DEL	-	764,222	588,461	175,761
Charity Commission				
Resource DEL	-	29,334	29,334	-
Capital DEL	-	700	700	-
Ministry of Justice				
Resource DEL	67,348	8,933,273	5,751,277	3,181,996
Capital DEL	43,000	594,330	552,925	41,405
United Kingdom Supreme Court				
Resource DEL	-	6,305	3,423	2,882
Capital DEL	-	100	100	-
Northern Ireland Court Service				
Resource DEL	-144,570	-	-	-
Capital DEL	-8,800	-	-	-
The National Archives				
Resource DEL	-	40,060	39,920	140
Capital DEL	-	6,197	6,197	-
Crown Prosecution Service				
Resource DEL	8,185	641,383	605,201	36,182
Capital DEL	-	5,100	5,100	-
Serious Fraud Office				
Resource DEL	2,792	40,931	40,931	-
Capital DEL	-	3,130	3,130	-
HM Procurator General and Treasury Solicitor				
Resource DEL	-	12,945	12,945	-
Capital DEL	-	3,610	3,610	-
Ministry of Defence				
Resource DEL	102,744	36,058,010	35,454,550	603,460
Capital DEL	-	10,071,059	10,070,208	851
Foreign and Commonwealth Office				
Resource DEL	121,143	2,153,381	2,124,381	29,000
Capital DEL	-25,265	168,695	168,695	-
Department for International Development				
Resource DEL	-74,730	6,008,839	5,023,211	985,628
Capital DEL	265	1,556,265	1,737,001	-180,736
Department of Energy and Climate Change				
Resource DEL	18,975	1,217,562	407,198	810,364
Capital DEL	-18,325	1,903,701	725,519	1,178,182

Table 1.4 Departmental Expenditure Limits for 2010-11

£'000

Department Group	DEL Change	New DEL Of Which	Voted	Non-Voted
Office of Gas and Electricity Markets				
Resource DEL	-	1,401	701	700
Capital DEL	-	950	950	-
Department for Environment, Food and Rural Affairs				
Resource DEL	-218	2,417,073	3,707,615	-1,290,542
Capital DEL	-	547,714	123,127	424,587
Water Services Regulation Authority				
Resource DEL	-	538	1	537
Capital DEL	-	400	400	-
Department for Culture, Media and Sport				
Resource DEL	9,640	1,551,083	90,863	1,460,220
Capital DEL	30,060	573,986	-643,406	1,217,392
Department for Work and Pensions				
Resource DEL	-35,781	8,730,218	5,599,225	3,130,993
Capital DEL	-	243,052	191,224	51,828
Government Equalities Office				
Resource DEL	-	69,518	16,518	53,000
Capital DEL	-	2,000	-	2,000
Welsh Assembly Government				
Resource DEL	-	13,857,326	-	13,857,326
Capital DEL	-	1,673,498	-	1,673,498
Scottish Executive				
Resource DEL	158,893	25,857,354	-	25,857,354
Capital DEL	149,621	3,388,567	-	3,388,567
Northern Ireland Office				
Resource DEL	-1,163,276	35,876	34,174	1,702
Capital DEL	-71,463	440	440	-
Northern Ireland Executive				
Resource DEL	1,307,846	9,931,705	-	9,931,705
Capital DEL	80,263	1,222,906	-	1,222,906
HM Treasury				
Resource DEL	-20,657	186,083	152,359	33,724
Capital DEL	-	48,700	45,300	3,400
HM Revenue and Customs				
Resource DEL	-500	3,737,260	3,311,284	425,976
Capital DEL	-	211,549	211,549	-
National Savings and Investments				
Resource DEL	11,000	168,402	168,402	-
Capital DEL	-	464	464	-
The Statistics Board				
Resource DEL	-	319,533	307,533	12,000
Capital DEL	-	15,000	15,000	-

Table 1.4 Departmental Expenditure Limits for 2010-11

£'000

Department Group	DEL Change	New DEL <i>Of Which</i>	Voted	Non-Voted
Government Actuary's Department				
Resource DEL	-	433	427	6
Capital DEL	-	212	212	-
Cabinet Office				
Resource DEL	206,437	515,575	365,394	150,181
Capital DEL	23,250	71,137	69,137	2,000
Security and Intelligence Agencies				
Resource DEL	-38,046	1,907,208	1,907,208	-
Capital DEL	41,000	339,000	339,000	-
National School of Government				
Resource DEL	-	1	1	-
Capital DEL	-	1,070	1,070	-
Central Office of Information				
Resource DEL	-	656	656	-
Capital DEL	-	-	-	-
Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England				
Resource DEL	-	34,729	34,142	587
Capital DEL	-	2,100	1,350	750
House of Lords				
Resource DEL	-	96,906	96,906	-
Capital DEL	-	26,727	26,727	-
House of Commons: Members				
Resource DEL	-	78,350	78,350	-
Capital DEL	-	4,000	4,000	-
House of Commons: Administration				
Resource DEL	-	199,300	199,300	-
Capital DEL	-	20,000	20,000	-
National Audit Office				
Resource DEL	-	77,658	76,455	1,203
Capital DEL	-	1,430	1,430	-
Electoral Commission				
Resource DEL	-	23,740	23,540	200
Capital DEL	-	1,002	1,002	-
Independent Parliamentary Standards Authority				
Resource DEL	-	156,581	156,581	-
Capital DEL	-	5,051	5,051	-
Local Government Boundary Commission for England				
Resource DEL	-	2,845	2,845	-
Capital DEL	-	200	200	-
Total Resource DEL	1,089,054	342,870,121	261,668,929	81,201,192
Total Capital DEL	130,759	50,315,505	25,463,125	24,852,380

Table 1.5 Central Government Departments: Changes in 2010-11 Administration Budgets

£'000

	Present Administration Budget	change in Administration Budget	Revised Administration Budget
Department for Education	180,503	1,500	182,003
Office for Standards in Education, Children's Services and Skills	27,337	-	27,337
Department of Health	211,079	4,201	215,280
Food Standards Agency	56,299	-5,389	50,910
Department for Transport	266,102	-	266,102
Office of Rail Regulation	-240	-	-240
Department for Communities and Local Government	261,722	290	262,012
Department for Business, Innovation and Skills	321,187	2,300	323,487
Export Credits Guarantee Department	24,300	868	25,168
Office of Fair Trading	60,241	-	60,241
Postal Services Commission	11	-	11
Home Office	404,810	-12,300	392,510
Charity Commission	29,334	-	29,334
Ministry of Justice	411,146	5,084	416,230
Northern Ireland Court Service	204	-204	-
Crown Prosecution Service	48,003	-	48,003
HM Procurator General and Treasury Solicitor	12,945	-	12,945
Ministry of Defence	2,182,586	-	2,182,586
Foreign and Commonwealth Office	420,448	64,250	484,698
Department for International Development	157,644	-	157,644
Department of Energy and Climate Change	108,084	-	108,084
Office of Gas and Electricity Markets	1,401	-	1,401
Department for Environment, Food and Rural Affairs	282,750	-662	282,088
Water Services Regulation Authority	538	-	538
Department for Culture, Media and Sport	44,288	7,200	51,488
Department for Work and Pensions	6,107,890	-31,185	6,076,705
Government Equalities Office	9,525	-	9,525
Northern Ireland Office	68,564	-51,813	16,751
HM Treasury	159,551	-21,957	137,594
HM Revenue and Customs	3,666,355	-500	3,665,855
National Savings and Investments	157,402	11,000	168,402
Government Actuary's Department	433	-	433
Cabinet Office	181,859	53,858	235,717
Security and Intelligence Agencies	82,250	-	82,250
National School of Government	1	-	1
Independent Parliamentary Standards Authority	7,943	-	7,943
Total	15,954,495	26,541	15,981,036

Table 1.6 Six months' provisional outturn by request for resources, 2010-11

	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
£'000				
Department for Education				
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	55,441,446	29,243,760	31,252,635	106.87%
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,917,809	1,071,538	979,958	91.45%
Net resource requirement‡	57,359,255	30,315,298	32,232,593	106.32%
Teachers' Pension Scheme (England & Wales)				
RfR 1: Teachers' pensions	13,213,288	6,607,786	6,594,545	99.80%
Net resource requirement‡	13,213,288	6,607,786	6,594,545	99.80%
Office for Standards in Education, Children's Services and Skills				
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting	186,110	88,123	82,978	94.16%
Net resource requirement‡	186,110	88,123	82,978	94.16%
Office of Qualifications and Examinations Regulation				
RfR 1: To be an independent regulator of qualifications, examinations and statutory assessments in order to secure the standards of regulated qualifications, promote the standards of regulated assessments, promote public confidence in regulated qualifications and regulated assessment arrangements, promote awareness and understanding of regulated qualifications and secure efficiency and value for money in qualifications.	17,300	8,166	7,818	95.74%
Net resource requirement‡	17,300	8,166	7,818	95.74%
Department of Health				
RfR 1: Securing health care for those who need it.	82,188,622	39,619,403	39,427,194	99.51%
RfR 2: Securing social care for adults who need it and, at national level, protecting, promoting and improving the nation's health	3,865,677	1,815,478	1,805,217	99.43%
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts	15,949	7,716	7,716	100.00%
Net resource requirement‡	86,070,248	41,442,597	41,240,127	99.51%
National Health Service Pension Scheme				
RfR 1: National Health Service Pension Scheme	17,675,578	8,952,682	9,000,311	100.53%
Net resource requirement‡	17,675,578	8,952,682	9,000,311	100.53%
Food Standards Agency				
RfR 1: Improving food safety and the balance of people's diets	131,635	53,471	45,066	84.28%
Net resource requirement‡	131,635	53,471	45,066	84.28%
Department for Transport				
RfR 1: Transport that works for everyone	12,881,334	6,296,858	6,059,526	96.23%
Net resource requirement‡	12,881,334	6,296,858	6,059,526	96.23%
Office of Rail Regulation				
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation	2	N/A	N/A	N/A
Net resource requirement‡	2	N/A	N/A	N/A
Department for Communities and Local Government				
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	8,962,616	4,871,493	4,750,618	97.52%
RfR 2: Providing for effective devolved decision making within a national framework	26,371,577	14,604,200	14,602,456	99.99%
Net resource requirement‡	35,334,193	19,475,693	19,353,074	99.37%

Table 1.6 Six months' provisional outturn by request for resources, 2010-11

	£'000			
	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
Department for Business, Innovation and Skills				
RfR 1: To help ensure business success in an increasingly competitive world	2,115,488	636,289	968,380	152.19%
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society	3,803,202	1,967,794	1,940,814	98.63%
RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation	14,444,530	7,830,034	8,101,481	103.47%
Net resource requirement‡	20,363,220	10,434,117	11,010,675	105.53%
UK Trade & Investment				
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment	92,909	36,300	34,734	95.69%
Net resource requirement‡	92,909	36,300	34,734	95.69%
Export Credits Guarantee Department				
RfR 1: To provide export finance assistance through interest support to benefit the UK economy by supporting exports	13,309	N/A	N/A	N/A
RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by supporting exports	1	12,500	11,802	94.42%
Net resource requirement‡	13,310	12,500	11,802	94.42%
Office of Fair Trading				
RfR 1: Advancing and safeguarding the economic interests of UK consumers	62,107	29,586	29,312	99.07%
Net resource requirement‡	62,107	29,586	29,312	99.07%
Postal Services Commission				
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	1	N/A	N/A	N/A
Net resource requirement‡	1	N/A	N/A	N/A
Home Office				
RfR 1: Working together to protect the public	10,594,524	5,581,492	5,513,925	98.79%
Net resource requirement‡	10,594,524	5,581,492	5,513,925	98.79%
Charity Commission				
RfR 1: Giving the public confidence in the integrity of charity	29,334	14,102	13,592	96.38%
Net resource requirement‡	29,334	14,102	13,592	96.38%
Ministry of Justice				
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	8,708,295	3,913,930	3,828,481	97.82%
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	26,615,385	13,307,688	13,307,688	100.00%
RfR 3: To support the Secretary of State in discharging her 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	13,318,137	7,738,338	7,738,338	100.00%
Net resource requirement‡	48,641,817	24,959,956	24,874,507	99.66%
Ministry of Justice: Judicial Pensions Scheme				
RfR 1: Judicial Pensions Scheme	72,510	36,254	36,254	100.00%
Net resource requirement‡	72,510	36,254	36,254	100.00%
United Kingdom Supreme Court				
RfR 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.	3,423	1,522	1,522	100.00%
Net resource requirement‡	3,423	1,522	1,522	100.00%

Table 1.6 Six months' provisional outturn by request for resources, 2010-11

	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
£'000				
Northern Ireland Court Service				
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	137,086	68,556	-	0.00%
Net resource requirement‡	137,086	68,556	-	0.00%
The National Archives				
RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government	39,920	18,804	17,657	93.90%
Net resource requirement‡	39,920	18,804	17,657	93.90%
Crown Prosecution Service				
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.	627,665	300,623	306,896	102.09%
Net resource requirement‡	627,665	300,623	306,896	102.09%
Serious Fraud Office				
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	38,139	21,274	21,114	99.25%
Net resource requirement‡	38,139	21,274	21,114	99.25%
HM Procurator General and Treasury Solicitor				
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	12,945	5,421	4,131	76.20%
Net resource requirement‡	12,945	5,421	4,131	76.20%
Ministry of Defence				
RfR 1: Provision of defence capability	33,886,136	17,550,776	17,519,134	99.82%
RfR 2: Operations and Peace-Keeping	3,130,679	1,451,687	1,212,882	83.55%
RfR 3: War Pensions and Allowances, etc	972,691	481,683	479,165	99.48%
Net resource requirement‡	37,989,506	19,484,146	19,211,181	98.60%
Armed Forces retired pay, pensions etc				
RfR 1: Armed Forces retired pay, pensions etc	6,707,537	3,296,556	3,295,055	99.95%
Net resource requirement‡	6,707,537	3,296,556	3,295,055	99.95%
Foreign and Commonwealth Office				
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	1,600,448	883,128	883,839	100.08%
RfR 2: Conflict prevention	496,000	272,953	232,351	85.12%
Net resource requirement‡	2,096,448	1,156,081	1,116,190	96.55%
Department for International Development				
RfR 1: Eliminating poverty in poorer countries	6,858,342	3,246,047	2,815,098	86.72%
RfR 2: Conflict prevention	20,726	8,700	7,900	90.80%
Net resource requirement‡	6,879,068	3,254,747	2,822,998	86.73%
Department for International Development: Overseas Superannuation				
RfR 1: Overseas superannuation	58,611	29,304	29,304	100.00%
Net resource requirement‡	58,611	29,304	29,304	100.00%

Table 1.6 Six months' provisional outturn by request for resources, 2010-11

	£'000			
	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
Department of Energy and Climate Change				
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.	2,939,279	1,413,414	1,295,150	91.63%
Net resource requirement‡	2,939,279	1,413,414	1,295,150	91.63%
UK Atomic Energy Authority Pension Schemes				
RfR 1: Effective management of UKAEA pension schemes	283,284	N/A	N/A	N/A
Net resource requirement‡	283,284	N/A	N/A	N/A
Office of Gas and Electricity Markets				
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.	701	N/A	N/A	N/A
Net resource requirement‡	701	N/A	N/A	N/A
Department for Environment, Food and Rural Affairs				
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible	5,045,125	1,991,034	1,686,311	84.70%
RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain	45,256	22,945	23,190	101.07%
Net resource requirement‡	5,090,381	2,013,979	1,709,501	84.88%
Water Services Regulation Authority				
RfR 1: Regulation of the Water Industry	105	N/A	N/A	N/A
Net resource requirement‡	105	N/A	N/A	N/A
Department for Culture, Media and Sport				
RfR 1: Improving the quality of life through cultural and sporting activities	1,974,056	1,039,313	1,026,525	98.77%
RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities	3,123,467	1,677,754	1,671,123	99.60%
Net resource requirement‡	5,097,523	2,717,067	2,697,648	99.29%
Department for Work and Pensions				
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	436,401	278,173	276,637	99.45%
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	46,914,372	24,343,823	24,531,231	100.77%
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	12,333,159	4,776,489	4,807,214	100.64%
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	19,576,884	9,583,659	9,538,785	99.53%
RfR 5: Corporate contracts and support services	1,630,682	654,348	561,032	85.74%
Net resource requirement‡	80,891,498	39,636,492	39,714,899	100.20%
Government Equalities Office				
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.	71,518	31,914	29,045	91.01%
Net resource requirement‡	71,518	31,914	29,045	91.01%
Northern Ireland Office				
RfR 1: Overseeing the effective operation of the devolution settlement in Northern Ireland and representing the interests of Northern Ireland within the UK Government.	1,266,401	23,418	22,104	94.39%

Table 1.6 Six months' provisional outturn by request for resources, 2010-11

	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
				£'000
RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998, Northern Ireland Act 2000 and the Northern Ireland Act 2009.	13,002,001	6,501,000	6,501,000	100.00%
Net resource requirement‡	14,268,402	6,524,418	6,523,104	99.98%
HM Treasury				
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all	148,025	78,198	87,069	111.34%
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage	50,070	25,038	11,068	44.20%
RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers	677,408	2,676	-1	-0.04%
Net resource requirement‡	875,503	105,912	98,136	92.66%
HM Revenue and Customs				
RfR 1: Administering the tax system efficiently and in an even-handed way, making it easy for customers to get things right, helping individuals to get targeted financial support and other entitlements.	3,391,286	1,668,005	1,661,002	99.58%
RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.	1	-4,313	-5,528	128.17%
RfR 3: Providing payments in lieu of tax relief to certain bodies	180,000	87,392	80,752	92.40%
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies	40,300	18,286	19,816	108.37%
RfR 5: Payments of Child Benefit, Child Trust Fund endowments, Health in Pregnancy Grant and Saving Gateway	12,520,001	6,396,658	6,411,057	100.23%
Net resource requirement‡	16,131,588	8,166,028	8,167,099	100.01%
National Savings and Investments				
RfR 1: Reducing the cost to the taxpayer of government borrowing now and in the future and the leveraging of National Savings and Investment's core infrastructure and capabilities	164,908	89,952	89,300	99.28%
Net resource requirement‡	164,908	89,952	89,300	99.28%
The Statistics Board				
RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good	310,533	127,822	126,699	99.12%
Net resource requirement‡	310,533	127,822	126,699	99.12%
Government Actuary's Department				
RfR 1: Providing an actuarial service	473	1,318	1,884	142.94%
Net resource requirement‡	473	1,318	1,884	142.94%
Crown Estate Office				
RfR 1: To maintain and enhance the value of The Crown Estate and the return obtained from it	2,365	1,268	1,315	103.71%
Net resource requirement‡	2,365	1,268	1,315	103.71%
Cabinet Office				
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	344,711	199,692	209,592	104.96%
Net resource requirement‡	344,711	199,692	209,592	104.96%
Security and Intelligence Agencies				
RfR 1: Protecting and promoting the national security and economic well being of the UK	1,952,044	875,801	873,555	99.74%
Net resource requirement‡	1,952,044	875,801	873,555	99.74%
Cabinet Office: Civil superannuation				
RfR 1: Civil superannuation	9,433,000	4,952,912	4,940,122	99.74%
Net resource requirement‡	9,433,000	4,952,912	4,940,122	99.74%

Table 1.6 Six months' provisional outturn by request for resources, 2010-11

	£'000			
	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
National School of Government				
RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government	178	1,148	3,244	282.58%
Net resource requirement‡	178	1,148	3,244	282.58%
Central Office of Information				
RfR 1: Achieving maximum communication effectiveness with best value for money	656	330	330	100.00%
Net resource requirement‡	656	330	330	100.00%
Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England				
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	34,142	16,305	15,982	98.02%
Net resource requirement‡	34,142	16,305	15,982	98.02%
House of Lords				
RfR 1: Members' expenses and administration, etc.	102,026	44,780	40,524	90.50%
Net resource requirement‡	102,026	44,780	40,524	90.50%
House of Commons: Members				
RfR 1: Members' salaries, allowances and other costs	85,250	48,031	50,402	104.94%
Net resource requirement‡	85,250	48,031	50,402	104.94%
Total net resource requirement‡ (Supply Estimates presented by HM Treasury)	495,409,091	248,950,598	249,554,418	100.24%
House of Commons: Administration				
RfR 1: House of Commons: Administrative expenditure	215,300	99,778	94,697	94.91%
RfR 2: Grants to Other Bodies	3,700	-	2,172	N/A
Net resource requirement‡	219,000	99,778	96,869	97.08%
National Audit Office				
RfR 1: Providing independent assurance to Parliament and other organisations on the management of public resources	76,600	35,111	32,747	93.27%
Net resource requirement‡	76,600	35,111	32,747	93.27%
Electoral Commission				
RfR 1: The Electoral Commission	23,540	10,526	10,035	95.34%
Net resource requirement‡	23,540	10,526	10,035	95.34%
Independent Parliamentary Standards Authority				
RfR 1: Operation of the Independent Parliamentary Standards Authority and all activities connected to its purpose	156,581	78,294	78,294	100.00%
Net resource requirement‡	156,581	78,294	78,294	100.00%
Local Government Boundary Commission for England				
RfR 1: Local Government Boundary Commission for England	2,845	N/A	1,305	N/A
Net resource requirement‡	2,845	N/A	1,305	N/A
Total net resource requirement‡ (Supply Estimates presented elsewhere)	478,566	223,709	219,250	98.01%
Grand total net resource requirement‡	495,887,657	249,174,307	249,773,668	100.24%

‡ Total resources net of operating appropriations in aid

Section 2. Supplementary Estimates

Department for Education†

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills			
<u>Section Reason for Change</u>			
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
D	To Increase provision for: Sixth form funding	606,000,000	
<u>Machinery of Government changes</u>			
C	Joint Youth Justice Unit to the Ministry of Justice		-19,730,000
D	Joint Youth Justice Unit to the Ministry of Justice		-24,081,000
<u>Transfers of budgetary cover to/from other government departments</u>			
B	Transfer of funds to the Foreign and Commonwealth Office for the Papal Visit		-1,850,000
C	Transfer of funds to the Scottish Office for Child Trust Funds		-213,000
D	Transfer of funds from the Department for Business, Innovation and Skills to cover Higher Discretionary Support for 19-24 year olds	20,000,000	
D	Transfer of funds to the Department for Business, Innovation and Skills to cover UKCES levy		-1,990,000
F	Transfer of funds to the Department for Communities and Local Government for the Migration Impact Fund		-1,980,000
H	Transfer of funds from the Department for Work and Pensions for Child Poverty Unit	4,183,000	
<u>Transfers from resource spending to capital spending (capital grants)</u>			
B	Capital to Resource Transfer to increase provision for: Schools and Teachers	33,000,000	

Introduction

Other changes

Resource transfers within the Request for Resources

	To Increase provision for:	
C	Children and Families	3,000,000
F	Local Education Authorities to support Schools and Teachers	5,718,000
K	Area Based Grants	13,211,000
	To decrease provision for:	
B	Schools and Teachers	-21,929,000
D	Youth	-6,150,000
P	Local Authorities to support Youth	6,150,000

Transfers to/from non-voted spending

Changes in voted programme spending offset by changes in resource spending by sponsored Non Departmental Public Bodies

	To Increase provision for:	
A	Activities to Support all Functions	4,500,000
	To decrease provision for:	
B	Schools and Teachers	-928,000
D	Youth	-626,000,000

Increases in non-budget spending

	To increase grant-in-aid provision for:	
M	British Educational Communications and Technology Agency	928,000
O	Young Peoples' Learning Agency	626,000,000

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

	To increase provision for gross expenditure offset by increases in operating appropriations in aid	
A	Activities to Support all Functions	6,719,000 -6,719,000
B	Schools and Teachers	19,857,000 -19,857,000
C	Children and Families	6,532,000 -6,532,000
D	Youth	6,979,000 -6,979,000

Totals **1,362,777,000 -744,938,000**

Total RfR 1 **617,839,000**

Total change in resources for Estimate: **617,839,000**

- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £611,839,000.
- Symbols are explained in the Introduction to this booklet.

Department for Education†

Part I

	£
Request for Resources 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills††	617,839,000
Total additional net resource requirement	617,839,000
Additional net cash requirement††	611,839,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Department for Education on:

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

loans to voluntary aided schools; provision relating to former grant-maintained schools; the Assisted Places Scheme; music and dance schools; support for the Academy of Gifted and Talented Youth; City Technology Colleges; support for Academies; the school curriculum and its assessment; modernising the teaching profession and other educational services and initiatives; initiatives to write-off student loans to teachers in England and Wales; class size reductions; school and local education authority intervention; specialist schools; excellence in cities and other specific grants to local authorities including those through the Standards Fund; Dedicated Schools Grant;

grants in aid to the National College for Leadership of Schools and Children's Services, the Training and Development Agency for Schools, the British Educational Communications and Technology Agency, the Schools Food Trust, the Qualifications and Curriculum Development Agency; 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 in England and Wales; careers guidance and services including through the Connexions Service including working capital grants and loans for capital purchases; education provision and initiatives, capital grants to music, dance and other schools; payments for education in prisons and other custodial institutions; education maintenance allowances; the provision of training and assessment programmes for young people; Grant in Aid to the Young People's Learning Agency; initiatives to improve education, training and qualifications arrangements and access to these; payments to the Department for Business, Innovation and Skills to support programmes run through Skills Funding Agency. Millennium Volunteers; payments to the Home Office to support the Criminal Records Bureau; payments and grants to support personal and children's social services, and initiatives relating to teenage pregnancy, hospital and community health services; payments to support Children's Wellbeing; payments to Department for Culture, Media and Sport relating to Free Swimming; payments for implementing the Aiming High programme children's secure accommodation and family policy; family parenting and law grants; Grants in Aid to the Children and Family Court Advisory and Support Service, the Children's Workforce Development Council and the Children's Commissioner; payments and grants to support parenting and parenting organisations; children's workforce and development; grants to support Strengthening Families, Marriages and Relationships; payments for Child Trust Fund top ups, including through the Devolved Administrations; payments to support and develop vetting and barring;

Part I

payments to the Department for Communities and Local Government to support Area Based Grants; investments and loans to support PFI; payments to the Department for Business, Innovation and Skills in connection with the Regional Development Agencies and the London Development Agency; to local voluntary, community and business support organisations; grant in aid, grants and working capital loans to the General Teaching Council; the Department's own administration and research and payments for the administration of teachers' pensions; information and publicity services; departmental restructuring costs; initiatives and programmes supported by the European Union; compensation payments to teachers and staff of certain institutions and teachers' medical fees; and associated non-cash items. Pension costs for voluntary service overseas (VSO) participants.

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

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

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

† In the Main Estimate 2010-11 this Estimate was titled the Department for Children, Schools and Families.

†† The funding of the Joint Youth Justice Unit was transferred from the Department for Education to the Ministry of Justice on 1 June 2010. Within the overall changes sought in this Estimate, the specific changes relating to the machinery of government transfer are:

- a) The net resource requirement for RfR1 is reduced by £43,811,000.
- b) The net cash requirement is reduced by £43,811,000.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: To help build a competitive economy 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						
		657,926	40,087	617,839		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Activities to Support all Functions	212,816	11,219	6,719	4,500	217,316
B	Support for Schools and Teachers not through Local Education Authorities	2,060,670	28,150	19,857	8,293	2,068,963
C	Support for Children and Families not paid through Local Authorities	1,026,837	-16,661	6,532	-23,193	1,003,644
D	Support for Youth not paid through Local Authorities	1,154,227	-25,242	6,979	-32,221	1,122,006
<i>Support for Local Authorities</i>						
F	Current Grants for Local Education Authorities to Support Schools and Teachers	3,799,092	3,738	-	3,738	3,802,830
H	Current Grants to Local Authorities to support Children and Families	425,523	10,433	-	10,433	435,956
K	Area Based Grants	917,592	13,211	-	13,211	930,803
Non-Budget						
M	Grant in Aid to NDPBs supporting Schools	5,992,384	928	-	928	5,993,312
O	Grant in Aid to NDPBs supporting Youth	7,755,966	626,000	-	626,000	8,381,966
Spending in Departmental Expenditure Limits (DEL)						
<i>Support for Local Authorities</i>						
P	Current Grants to Local Authorities to Support Youth Programmes	-	6,150	-	6,150	6,150
Total for Estimate:			657,926	40,087	617,839	

Part II: Changes proposed

Capital and Cash

	£'000		
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	19,600	-	19,600
Non-Operating A in A	-	-	-
Net cash requirement	57,405,199	611,839	58,017,038

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills								
179,135	353,342	55,569,453	56,101,930	42,645	56,059,285	19,600	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Activities to Support all Functions							
179,135	45,619	1,014	225,768	8,452	217,316	19,600	-	
B	Support for Schools and Teachers not through Local Education Authorities							
-	4,420	2,084,400	2,088,820	19,857	2,068,963	-	-	
C	Support for Children and Families not paid through Local Authorities							
-	131,523	879,478	1,011,001	7,357	1,003,644	-	-	
D	Support for Youth not paid through Local Authorities							
-	170,858	958,127	1,128,985	6,979	1,122,006	-	-	
E	Compensation to Former College of Education Staff							
-	-	11,791	11,791	-	11,791	-	-	
<i>Support for Local Authorities</i>								
F	Current Grants for Local Education Authorities to Support Schools and Teachers							
-	-	3,802,830	3,802,830	-	3,802,830	-	-	
G	Capital Grants for Local Education Authorities to Support Schools							
-	-	6,001	6,001	-	6,001	-	-	
H	Current Grants to Local Authorities to support Children and Families							
-	-	435,956	435,956	-	435,956	-	-	
I	Capital Grants to Local Authorities to support Children and Families							
-	-	16,409	16,409	-	16,409	-	-	
J	Dedicated Schools Grant							
-	-	31,891,031	31,891,031	-	31,891,031	-	-	
K	Area Based Grants							
-	-	930,803	930,803	-	930,803	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
L	Activities to Support All Functions (AME)							
-	922	-	922	-	922	-	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
Non-Budget									
M	Grant in Aid to NDPBs supporting Schools	-	-	5,993,312	5,993,312	-	5,993,312	-	-
N	Grant in Aid to NDPBs supporting Children and Families	-	-	170,185	170,185	-	170,185	-	-
O	Grant in Aid to NDPBs supporting Youth	-	-	8,381,966	8,381,966	-	8,381,966	-	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Support for Local Authorities</i>									
P	Current Grants to Local Authorities to Support Youth Programmes	-	-	6,150	6,150	-	6,150	-	-
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare									
		-	27,597	1,890,212	1,917,809	-	1,917,809	-	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Support for Sure Start, Early Years and Childcare not paid through Local Authorities	-	27,597	39,230	66,827	-	66,827	-	-
<i>Support for Local Authorities</i>									
B	Current Grants to Local Authorities to support Sure Start, Early Years and Childcare	-	-	1,535,957	1,535,957	-	1,535,957	-	-
C	Capital Grants to Local Authorities to support Sure Start, Early Years and Childcare	-	-	315,025	315,025	-	315,025	-	-
Total for Estimate:									
		179,135	380,939	57,459,665	58,019,739	42,645	57,977,094	19,600	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	57,359,255	617,839	57,977,094
Voted capital items			
Capital	19,600	-	19,600
Less Non-operating A-in-A	-	-	-
Total net voted capital	19,600	-	19,600
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-7,932	-1,500	-9,432
New provisions and adjustments to previous provisions	-922	-	-922
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-450	-	-450
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	35,648	-4,500	31,148
Total accruals to cash adjustments	26,344	-6,000	20,344
Excess cash to be CFERd	-	-	-
Net Cash Requirement	57,405,199	611,839	58,017,038

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2010-11
Provision**
Net Administration Costs

RfR 1

177,535

RfR 2

-

Total Net Administration Costs
177,535
Net Programme Costs

RfR 1

55,881,750

RfR 2

1,917,809
Total Net Programme Costs
57,799,559
Total Net Operating Cost
57,977,094
of which:

Net Resource Requirement

57,977,094

Non-voted Expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget
51,256,298

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	57,977,094
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	57,977,094
<i>Adjustments to remove:</i>	
Capital grants	-537,899
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	-6,182,897
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	51,256,298
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	51,286,524
Annually Managed Expenditure (AME)	-30,226

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	19,600
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	5,937,477
Capital grants	537,899
European Union income related to capital grants	-
Supported capital expenditure (revenue)	544,700
Capital spending by levy funded bodies	-
Unallocated capital provision	117,596
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-544,700
Capital Budget (Budget)	6,612,572
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,612,572
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

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	1,600
<i>of which:</i>	
Sale of goods and services	1,600
Programme	41,045
<i>of which:</i>	
Sale of goods and services	8,306
Other grant income (including repayments of grants/subsidies)	928
Other income (including receipts)	31,811
Total RfR 1	42,645†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: sale of National Record of Achievement products; receipts in connection with Childcare Link; recovery of salaries, etc. for seconded staff; receipts from careers service conferences; receipts relating to Qualifications and Curriculum Development Agency properties and surplus Funding Agency for Schools; receipts from outside organisations (including the EC) in respect of advertising and publicity activities and materials;

sale of research publications; repayments of grants overpaid to voluntary aided and special schools in previous years, including repayment of proceeds of sale; receipts from the European Social Fund to cover departmental programmes supported by the EC; general administration receipts, including those in connection with services provided to Sure Start; contributions from the National Assembly for Wales towards Key Skills; contributions from the National Assembly for Wales and the Scottish Executive for dance and drama students;

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

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

Total Operating A in A	42,645
-------------------------------	---------------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-9,089	632,428	42,892,810	8,393,714	51,286,524
<i>of which:</i>					
Administration budget	4,500	-3,000	177,535	4,468	182,003
Capital DEL†	-	-43,000	557,499	6,055,073	6,612,572
Less Depreciation††	-1,500	-	-9,432	-3,030	-12,462
Total DEL	-10,589	589,428	43,440,877	14,445,757	57,886,634

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	42,645
--	--------

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR1- M	British Educational Communications and Technology Agency♥	126,788
RfR1- M	National College for Leadership of Schools and Children's Services♥	70,900
RfR1- M	Schools Food Trust♥	7,001
RfR1- M	Training and Development Agency for Schools♥	582,315
RfR1- M	Partnerships for Schools♦	5,206,308
RfR1- N	Children and Families Court Advisory and Support Service♥	131,002
RfR1- N	Children's Commissioner♥	2,353
RfR1- N	Childrens' Workforce Development Council♥	36,830
RfR1- O	Qualifications and Curriculum Development Agency♥	93,986
RfR1- O	Young People's Learning Agency♥	8,287,980
	Total	14,545,463

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
Non-statutory	
In order to ensure the continued occupancy of a surplus government office, the lease of the property in Histon, Cambridge was assigned in 2003 to Opportunity Links Ltd. They are a company limited by guarantee, working closely with the DFE to support the delivery of information to families. Under the terms of the original lease the Secretary of State is guarantor of the tenants' obligations and in the event of Opportunity Links ceasing to exist, the Secretary of State will be required to take over the lease obligations.	1,170
Qualification and Curriculum Development Agency indemnity - Minerva Diploma Aggregation Service (DAS) in respect of claims against the Qualifications and Curriculum Development Agency (QCDA)	46,000
The Department will give an indemnity in respect of legal claims against the Qualifications and Curriculum Development Agency (QCDA) arising from claims materialising from the National Curriculum Test (NCT) 2009 contract.	2,000
Contingent liabilities in connection to Private Finance Initiative (PFI) contracts to Academies. These contingent liabilities are a result of the Department providing an indemnity to the local authority for potential costs on buildings they own, with existing PFI arrangements, which will be used by the academies. This type of indemnity is considered to be low risk and is only a feature of the academies programme in very specific circumstances. These contingent liabilities only arise where an academy is using a local authority building with an existing PFI contract.	2,400,000

Teachers' Pension Scheme (England & Wales)

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

RfR 1: Teachers' pensions

Section Reason for Change

Changes related to movements in budgets

Changes in Annually Managed Expenditure (AME)

A3	Changes in closing Pension Liability resulting in increased interest charges.	57,954,000	
A5	Changes in forecast receipts due to changing teacher numbers.	10,836,000	

<u>Totals</u>		68,790,000	-
----------------------	--	-------------------	----------

Total RfR 1		68,790,000	
--------------------	--	-------------------	--

Total change in resources for Estimate:		68,790,000	
--	--	-------------------	--

2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £168,493,000.
3. Symbols are explained in the Introduction to this booklet.

Teachers' Pension Scheme (England & Wales)

Part I

	£
Request for Resources 1: Teachers' pensions	68,790,000
Total additional net resource requirement	68,790,000
Additional net cash requirement	168,493,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Teachers' Pension Scheme (England & Wales) on:

RfR 1: Teachers' pensions

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

The **Teachers' Pension Scheme (England & Wales)** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Teachers' pensions		57,954	-10,836	68,790	
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
A Pension and associated payments	13,213,288	57,954	-10,836	68,790	13,282,078
Total for Estimate:		57,954	-10,836	68,790	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	2,251,415	168,493	2,419,908

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A	
1	2	3	4	5	6		7	8	
RfR 1: Teachers' pensions									
-	-	18,325,344	18,325,344	5,043,266	13,282,078		-	-	
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
A	Pension and associated payments								
-	-	18,325,344	18,325,344	5,043,266	13,282,078		-	-	
Total for Estimate:									
-	-	18,325,344	18,325,344	5,043,266	13,282,078		-	-	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	13,213,288	68,790	13,282,078
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-18,263,479	-57,612	-18,321,091
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	15,233	9,524	24,757
Increase (-) / Decrease (+) in creditors	-12,074	-179	-12,253
Use of provisions	7,298,447	147,970	7,446,417
Total accruals to cash adjustments	-10,961,873	99,703	-10,862,170
Excess cash to be CFERd	-	-	-
Net Cash Requirement	2,251,415	168,493	2,419,908

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Combined Revenue Account

£'000

	2010-11 Provision
Net Programme Costs	
RfR 1	13,282,078
<i>of which:</i>	
Income	
Contributions received	4,959,505
Transfers in	82,109
Other income receivable	1,652
Total Income	<u>5,043,266</u>
Expenditure	
Increase in liability	8,006,176
Interest on scheme liability	10,314,915
Other expenditure	4,253
Total Expenditure	<u>18,325,344</u>
Non-voted	<u>-136</u>
Total Net Programme Costs	13,281,942
Total Net Operating Cost	13,281,942
<i>of which:</i>	
Net Resource Requirement	13,282,078
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-136
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	13,281,942

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

2010-11
Provision

Net Resource Requirement (Estimates)	13,282,078
<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	-136
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	13,281,942
<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)	13,281,942
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	13,281,942

Reconciliation of capital expenditure between Estimates and Budgets

£'000

2010-11
Provision

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2010-11
RfR 1: Teachers' pensions	
Programme	5,043,266
<i>of which:</i>	
Pension scheme related income	5,043,266
Total RfR 1	5,043,266[†]
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from employers and employees superannuation contributions; transfer values received; deductions from returns of contributions towards payment in lieu of graduated national insurance contributions equivalent premiums; recovery of contributions equivalent premiums from the state pension scheme; amounts received from employers of teachers' scheme members in reimbursement of the cost of premature retirement compensation payments on their behalf by Capita.</i>	
Total Operating A in A	5,043,266

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

£'000**Revised**

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

5,043,266

Department of Health

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Securing health care for those who need it.			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
A2	Transfer from the Ministry of Justice for prison healthcare budgets.	10,513,000	
A2	Transfer to the Cabinet Office for information assurance funding.		-2,000,000
A2	Transfer to the Department for Communities and Local Government to provide a contribution to the migrant impact fund.		-1,980,000
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A2	Reallocation of resources from RfR2 to meet existing priorities.	210,000,000	
<u>Totals</u>		220,513,000	-3,980,000
Total RfR 1		216,533,000	

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

Section Reason for Change

<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
A1	Transfer from the Food Standards Agency administration costs for work related to nutrition.	4,201,000	
B2	Transfer from the Food Standards Agency for programme funded work related to nutrition.	12,322,000	
B5	Transfer from the Food Standards Agency of operating appropriations in aid related to nutrition.		-2,196,000

Introduction

Changes in Annually Managed Expenditure (AME)

P2	A reallocation of budget to match payment of provisions forecasts.	-447,000,000
----	--	--------------

Other changes

Resource transfers to/from another Request for Resources

D3	Reallocation of resources to RfR1 to meet existing priorities.	-210,000,000
----	--	--------------

Transfers to/from non-voted spending

C2	Latest forecasts of European Economic Area medical costs.	447,000,000
----	---	-------------

Totals

463,523,000 -659,196,000

Total RfR 2

-195,673,000

Total change in resources for Estimate:

20,860,000

Changes in capital

Section Reason for Change

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

Changes related to movements in budgets

Other changes in DEL spending

E7	Reallocation of capital budget from Line E in light of latest forecasts.	-45,000,000
A7	Reallocation of capital to meet existing priorities in Line A	45,000,000

Other changes

Changes in non-budget spending

J7	Changes following the introduction of International Financial Reporting Standards.	171,545,000
----	--	-------------

Totals

216,545,000 -45,000,000

Total RfR 1

171,545,000

Total changes in capital for Estimate:

171,545,000

- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £192,405,000.
- Symbols are explained in the Introduction to this booklet.

Department of Health

Part I

	£
Request for Resources 1: Securing health care for those who need it.†	216,533,000
Request for Resources 2: Securing social care for adults who need it and, at national level, protecting, promoting and improving the nation's health† ††	-195,673,000
Total additional net resource requirement	20,860,000
Additional net cash requirement††	192,405,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Department of Health on:

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

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

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

Revenue and capital administration, including certain expenditure on behalf of the Department for Work and Pensions and the National Health Service in England; payment to HM Treasury for Infrastructure support; expenditure on departmental agencies, centrally funded health and social services (including non-departmental public bodies and special health authorities some of which are administered on a United Kingdom basis); including other local government services, prison health services, medical, scientific and technical services, services for disabled persons, grants to voluntary organisations and other bodies, information services for health and personal social services; health promotion activities (including those funded through the Department for Culture, Media and Sport); provision of personal social services (including grants to local authorities); payments to local authorities for use in local area agreements; medical treatment given to people from the United Kingdom in the European Economic Area and other countries ; healthy start programme; Home Office inspection of laboratories; grants in aid; payments and subscriptions to international organisations; education and training for all health care professionals (excluding doctors); the Employment Opportunities Fund programme; services provided to or on behalf of the Scottish Government, Welsh Assembly Government, Northern Ireland and the Medicines and Healthcare Products Regulatory Agency, and associated non-cash items

Part I

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

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

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

† The reduction in net resources of 195,673,000 in RfR2 is more than offset by the reallocation of £210,000,000 to RfR1

†† The functions related to nutrition policy in England were transferred from the Food Standards Agency on 1 October 2010. As a result of this transfer: (i) for RfR2 the Net Resource Requirement is increased by £14,327,000 and the operating appropriations-in-aid are increased by £2,196,000; (ii) the Net Cash Requirement for the estimate is increased by £14,327,000.

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: Securing health care for those who need it.		216,533	-	216,533	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Strategic health authorities and primary care trusts unified budgets and central allocations	97,085,638	216,533	-	216,533	97,302,171
RfR 2: Securing social care for adults who need it and, at national level, protecting, promoting and improving the nation's health		-193,477	2,196	-195,673	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Central department	218,983	4,201	-	4,201	223,184
B Other services including medical, scientific and technical services, grants to voluntary bodies, information services and health promotion activities.	360,029	12,322	2,196	10,126	370,155
C Healthy Start Programme and European Economic Area and other countries medical costs	377,027	447,000	-	447,000	824,027
D Other personal social services	458,038	-210,000	-	-210,000	248,038
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
P Centrally Managed provisions, impairments and bad debts	669,060	-447,000	-	-447,000	222,060
Total for Estimate:		23,056	2,196	20,860	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	3,242,850	171,545	3,414,395
Non-Operating A in A	561,000	-	561,000
Net cash requirement	85,599,471	192,405	85,791,876

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other	Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
1	2	3	4	5	6	7	A in A	8	
RfR 1: Securing health care for those who need it.									
-	104,517,827		320,564	104,838,391	22,433,236	82,405,155	3,397,395	561,000	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Strategic health authorities and primary care trusts unified budgets and central allocations								
-	100,261,465		148,276	100,409,741	3,107,570	97,302,171	1,753,993	30,000	
B	FHS - pharmaceutical services								
-	1		-	1	-	1	-	-	
C	FHS - prescription charges income								
-	-		-	-	1	-1	-	-	
D	FHS - general ophthalmic services								
-	1		-	1	1	-	-	-	
E	Research and Development								
-	975,000		-	975,000	-	975,000	5,000	-	
<i>Support for Local Authorities</i>									
F	Strategic health authorities and primary care trusts grants to local authorities								
-	-		165,000	165,000	-	165,000	-	-	
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
G	Hospital financing for credit guarantee finance pilot projects. Impairments and provisions.								
-	2,967,938		-	2,967,938	22,465	2,945,473	3,539	-	
Non-Budget									
H	Grant in aid to non-departmental public bodies, NHS trusts and foundation trusts PDC issues and repayments, NHS trusts and foundation trusts loans and repayments and repayment of interest								
-	-		7,288	7,288	1,000,519	-993,231	1,463,318	531,000	
I	NHS contributions								
-	-		-	-	18,302,680	-18,302,680	-	-	
J	IFRS non budget changes								
-	313,422		-	313,422	-	313,422	171,545	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 2: Securing social care for adults who need it and, at national level, protecting, promoting and improving the nation's health								
214,195	1,460,782	2,080,099	3,755,076	85,072	3,670,004	17,000	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Central department							
214,195	12,904	-	227,099	3,915	223,184	17,000	-	
B	Other services including medical, scientific and technical services, grants to voluntary bodies, information services and health promotion activities.							
-	323,791	49,520	373,311	3,156	370,155	-	-	
C	Healthy Start Programme and European Economic Area and other countries medical costs							
-	902,027	-	902,027	78,000	824,027	-	-	
D	Other personal social services							
-	-	248,038	248,038	-	248,038	-	-	
E	Medicines and Healthcare Products Regulatory Agency loans, repayment of loans and interest on loans.							
-	-	-	-	1	-1	-	-	
<i>Support for Local Authorities</i>								
F	AIDS support grant							
-	-	28,600	28,600	-	28,600	-	-	
G	Area Based Grant							
-	-	987,743	987,743	-	987,743	-	-	
H	Learning Disabilities							
-	-	51,000	51,000	-	51,000	-	-	
I	Transforming Personalisation, Prevention & Well-being (TPPW)							
-	-	237,000	237,000	-	237,000	-	-	
J	Stroke Strategy							
-	-	15,000	15,000	-	15,000	-	-	
K	Common Assessment Framework							
-	-	11,000	11,000	-	11,000	-	-	
L	Social Care Infrastructure							
-	-	17,000	17,000	-	17,000	-	-	
M	Infrastructure Support Grant							
-	-	40,000	40,000	-	40,000	-	-	
N	Social Care Capital							
-	-	27,727	27,727	-	27,727	-	-	
O	Mental Health Capital							
-	-	22,593	22,593	-	22,593	-	-	

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
P	Centrally Managed provisions, impairments and bad debts							
-	222,060	-	222,060	-	222,060	-	-	
Non-Budget								
Q	Grant in Aid funding of non-departmental public bodies and special health authorities							
-	-	344,878	344,878	-	344,878	-	-	
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts								
-	-	15,949	15,949	-	15,949	-	-	
Non-Budget								
A	Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts							
-	-	15,949	15,949	-	15,949	-	-	
Total for Estimate:								
214,195	105,978,609	2,416,612	108,609,416	22,518,308	86,091,108	3,414,395	561,000	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	86,070,248	20,860	86,091,108
Voted capital items			
Capital	3,242,850	171,545	3,414,395
Less Non-operating A-in-A	561,000	-	561,000
Total net voted capital	2,681,850	171,545	2,853,395
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-1,438,433	-	-1,438,433
New provisions and adjustments to previous provisions	-3,506,938	447,000	-3,059,938
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-522	-	-522
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-60	-	-60
Increase (-) / Decrease (+) in creditors	109,592	-	109,592
Use of provisions	1,683,734	-447,000	1,236,734
Total accruals to cash adjustments	-3,152,627	-	-3,152,627
Excess cash to be CFERd	-	-	-
Net Cash Requirement	85,599,471	192,405	85,791,876

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2010-11
Provision**

Net Administration Costs

RfR 1	-
RfR 2	210,280
RfR 3	-

Total Net Administration Costs	210,280
---------------------------------------	----------------

Net Programme Costs

RfR 1	82,405,155
RfR 2	3,459,724
RfR 3	15,949

Total Net Programme Costs	85,880,828
----------------------------------	-------------------

Total Net Operating Cost

86,091,108

of which:

Net Resource Requirement	86,091,108
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-

Resource Budget

103,893,444

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

**2010-11
Provision**

Net Resource Requirement (Estimates)	86,091,108
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	86,091,108
<i>Adjustments to remove:</i>	
Capital grants	-361,420
European Union income related to capital grants	-
Voted expenditure outside the budget	18,989,777
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-937,286
Unallocated resource provision	3,012
Other adjustments	108,253
Resource Budget (Budget)	103,893,444
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	101,384,380
Annually Managed Expenditure (AME)	2,509,064

Reconciliation of capital expenditure between Estimates and Budgets

£'000

**2010-11
Provision**

Net Voted Capital (Estimates)	2,853,395
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	2,747,163
Capital grants	361,420
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-1,061,587
Capital Budget (Budget)	4,900,391
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,896,852
Annually Managed Expenditure (AME)	3,539

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1:	Sir David Nicholson, NHS Chief Executive
Request for Resources 2:	Miss Una O'Brien, Permanent Head
Request for Resources 3:	Miss Una O'Brien, Permanent Head

Miss Una O'Brien, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Miss Una O'Brien is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

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

Programme	22,433,236
<i>of which:</i>	
Sale of goods and services	3,107,072
Regulatory licences, fines, penalties and taxes	18,302,680
Interest and dividends	1,022,984
Other income (including receipts)	500
Total RfR 1	22,433,236†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges for accommodation, income from goods and services to private and NHS patients, local authorities, Ministry of Defence and other bodies; income from income generation schemes; income from local authorities under joint finance arrangements; income from fines and penalty notices; income in respect of medical and dental education levy; income from the licensing of software and NHS logo; income in respect of settlement of legal claims; dividends and interest from loans and investments; income from intellectual property; income of the NHS Business Services Authority; income for research and development; prescription fraud charges; income from NHS prescription, dental and ophthalmic fraud charges; recoveries from patients in respect of incorrect claims for eligibility for general ophthalmic services; rebates and discounts from manufacturers under the Pharmaceutical Price Regulation Scheme and the Purchasing and Supply Agency arrangements; income from the sale of medicines, vaccines, antivenoms, antitoxins and equipment; income from premiums applied to the sale of stock; contributions from employers and employees towards the cost of the NHS; income from social exclusion programmes and Agenda for Change programme; income from the Scottish Government, the Welsh Assembly Government, Northern Ireland, Channel Islands and Isle of Man for services provided for devolved or reserved work; income from provision of policy and advice to other countries and care trusts; income in connection with the maintenance of the National Joint Registry; income of the Commission for Patient and Public Involvement in Health; income from conference events; income for prison healthcare including income from the Ministry of Justice; income for substance misuse funding including from the Department for Education; income from radio communication bandwidth; income secured by counter fraud services from all sources including compensatory elements and refunds; compensation income including the National programme for IT; and payments of interest and dividends on PDC by NHS trusts and NHS foundation trusts.

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

Administration	3,915
<i>of which:</i>	
Sale of goods and services	3,915
Programme	81,157
<i>of which:</i>	
Sale of goods and services	81,156
Interest and dividends	1
Total RfR 2	85,072†

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

retention of staff training course deposits, staff lease car scheme and health protection work, licence fees and royalties; sales of publications on equipment for the disabled; sale of publications; contributions by members of the public; insurance claims; income by the Human Fertilisation and Embryology Authority, National Biological Standards Board, Health Protection Agency, Human Tissue Authority, General Social Care Council, Care Quality Commission, income from other European economic area countries for NHS treatment of their residents; sale of subsidised dried milk; income from the European Community; contributions from the mobile phone industry; charitable contributions for developing pilot projects with voluntary organisations; refunds from voluntary organisations; contributions to local authority grant schemes; refunds from communication campaigns contracts and contributions towards the cost of communication campaigns; income from penalty charges; interest and dividend income on trading fund loans; income from the Scottish Government, Welsh Assembly Government, Northern Ireland, Channel Islands and Isle of Man for services provided for devolved or reserved work; income from the European Union for the reimbursement of staff travel expenses and for goods and services. Nutrition programmes.

Total Operating A in A	22,518,308
-------------------------------	-------------------

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

£'000

2010-11

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

Programme	561,000
<i>of which:</i>	
Sale of assets	30,000
Loan, etc, repayments	531,000

Total RfR 1	561,000†
--------------------	-----------------

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

Total Non-Operating A in A	561,000
-----------------------------------	----------------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	467,860	-447,000	101,141,041	243,339	101,384,380
<i>of which:</i>					
Administration budget	4,201	-	210,280	5,000	215,280
Capital DEL†	-	-	2,150,189	2,746,663	4,896,852
Less Depreciation††	-	-	-1,119,419	-	-1,119,419
Total DEL	467,860	-447,000	102,171,811	2,990,002	105,161,813

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	23,079,308
--	------------

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1/A	Grants to voluntary organisations to expand opportunities for unemployed people to participate in voluntary work.	7,270
RfR2/D	Family Restoration Fund	500

Grants in aid

RfR/Section	Body	£'000
RfR1 /H	Council for Healthcare Regulatory Excellence. ♥	1,944
RfR1 /H	Post Graduate Medical Education Training Board.♥	1,583
RfR1 /H	NHS Appointments Commission ♥	3,762
RfR2/Q	Health Protection Agency.♥	184,682
RfR2/Q	Human Fertilisation and Embryology Authority/ Human Tissue Authority♥	3,562
RfR2/Q	General Social Care Council.♥	10,679
RfR2/Q	Care Quality Commission ♥	145,956
RfR3/A	Office of the Independent Regulator for NHS foundation trusts.♥	15,949

Food Standards Agency

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Improving food safety and the balance of people's diets			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
A1	Transfer of Labelling to Defra - Admin		-1,188,000
A2	Transfer of Labelling to Defra - Programme		-544,000
A1	Transfer of Nutrition to Department of Health - Admin		-4,201,000
A2	Transfer of Nutrition to Department of Health - Programme		-12,322,000
A5	Transfer of Nutrition to Department of Health - Operating appropriations in aid	2,196,000	
<u>Other changes</u>			
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A1, A5	Admin Income arising from sub let of additional floor space of accommodation, Devolved Offices contribution for central IT costs, Department of Health's contributions to work within the Food Service Catering Sector and Various Government departments contributions to the Integrated Advice for Consumers project	1,658,000	-1,658,000
<u>Totals</u>		3,854,000	-19,913,000
Total RfR 1			-16,059,000
Total change in resources for Estimate:			-16,059,000

2. As a result of the above and associated non-cash adjustments, there is a decrease in the net cash requirement of £16,059,000.
3. Symbols are explained in the Introduction to this booklet.

Food Standards Agency

Part I

	£
Request for Resources 1: Improving food safety and the balance of people's diets†	-16,059,000
Total additional net resource requirement	-16,059,000
Additional net cash requirement‡	-16,059,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Food Standards Agency on:

RfR 1: Improving food safety and the balance of people's diets

Administration, inspections, surveillance, meat hygiene inspections and official controls, managing research and development, education, publicity and publications, funding for non-cash items.

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

† The functions related to nutrition policy in England were transferred to the Department of Health on 1 October 2010. The specific changes relating to this machinery of government transfer are: (a) for RfR 1 the Net Resource Requirement is reduced by £14,327,000 and the operating appropriations-in-aid are reduced by £2,196,000; (b) the Net Cash Requirement for the Estimate is reduced by £14,327,000.

‡ The functions relating to country of origin labelling, non food safety labelling and food composition policy in England were transferred to the Department for Environment, Food and Rural Affairs on 1 October 2010. The specific changes relating to this machinery of government transfer are: (a) for RfR 1 the Net Resource Requirement is reduced by £1,732,000; (b) the Net Cash Requirement for the Estimate is reduced by £1,732,000.

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: Improving food safety and the balance of people's diets					
		-16,597	-538	-16,059	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Food Standards Agency HQ Operations	130,388	-16,597	-538	-16,059	114,329
Total for Estimate:		-16,597	-538	-16,059	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	601	-	601
Non-Operating A in A	-	-	-
Net cash requirement	129,028	-16,059	112,969

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Improving food safety and the balance of people's diets								
55,468	99,470	-	154,938	39,362	115,576	601	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Food Standards Agency HQ Operations							
55,468	98,223	-	153,691	39,362	114,329	601	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B	FSA AME							
-	1,247	-	1,247	-	1,247	-	-	
Total for Estimate:								
55,468	99,470	-	154,938	39,362	115,576	601	-	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	131,635	-16,059	115,576
Voted capital items			
Capital	601	-	601
Less Non-operating A-in-A	-	-	-
Total net voted capital	601	-	601
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-1,861	-	-1,861
New provisions and adjustments to previous provisions	-1,247	-	-1,247
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	-	-	-
Total accruals to cash adjustments	-3,208	-	-3,208
Excess cash to be CFERd	-	-	-
Net Cash Requirement	129,028	-16,059	112,969

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2010-11
Provision**

Net Administration Costs

RfR 1

50,910

Total Net Administration Costs

50,910

Net Programme Costs

RfR 1

64,666

Total Net Programme Costs

64,666

Total Net Operating Cost

115,576

of which:

Net Resource Requirement

115,576

Non-voted Expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget

115,576

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	115,576
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	115,576
<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)	115,576
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	114,329
Annually Managed Expenditure (AME)	1,247

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	601
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	601
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	601
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2010-11
RfR 1: Improving food safety and the balance of people's diets	
Administration	4,558
<i>of which:</i>	
Sale of goods and services	4,558
Programme	34,804
<i>of which:</i>	
Sale of goods and services	34,804
Total RfR 1	39,362†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: fees for slaughterhouse hygiene inspections, radioactive waste disposal inspections, milk and dairies inspections, government funded controls and miscellaneous receipts including the proceeds from the sale of assets.</i>	
Total Operating A in A	39,362

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-16,059	-	114,329	-	114,329
<i>of which:</i>					
Administration budget	-5,389	-	50,910	-	50,910
Capital DEL†	-	-	601	-	601
Less Depreciation††	-	-	-1,861	-	-1,861
Total DEL	-16,059	-	113,069	-	113,069

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	39,362
--	--------

Department for Communities and Local Government

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
B	Renewing Neighbourhoods		-656,000
D	Implementing Planning Reforms		-200,000
E	Fire and Rescue Service Improvement Programme		-100,000
J	European Regional Development Fund Losses and Write-offs	6,352,000	
M	Housing Management		-1,460,000
<u>Transfers of budgetary cover to/from other government departments</u>			
<i>Resource</i>			
To adjust provision for:			
A	Commission for Architecture and the Built Environment (to HM Treasury)		-1,338,000
A	Growth Areas New Growth Points & ECO Towns (to HM Treasury)		-2,371,000
A	Implementing European Union Energy Performance of Building Directive (to HM Treasury)		-95,000
A	Zero Carbon Buildings (to HM Treasury)		-2,250,000
B	Housing Design Awards (to HM Treasury)		-12,000
B	Regeneration Strategy (to HM Treasury)		-113,000
D	Implementing Planning Reforms (to HM Treasury)		-1,950,000
D	Leaders Boards (to HM Treasury)		-2,000,000
M	Growth Areas New Growth Points & ECO Towns (to HM Treasury)		-14,629,000
M	Housing Management (to HM Treasury)		-1,300,000
M	Zero Carbon Buildings (to the Department of Energy and Climate Change)		-2,500,000
O	Migration Impacts Fund (to Department for Business, Innovation and Skills £4.28m offset against from the Home Office £4.34m, the Department of Health £1.98m and the Department of Education £1.98m)	4,020,000	

Introduction

P	Leaders Boards (to HM Treasury)		-4,000,000
R	Area Based Grant Expense (to HM Treasury)		-731,000

Administration (Resource)

To adjust provision for:

G	Government Offices	290,000	
---	--------------------	---------	--

Transfers from Capital spending to Resource (Capital grants)

E	Fire and Rescue Service Improvement Programme	1,040,000	
E	New Dimension - Mass Decontamination	300,000	
E	New Dimension - Search & Rescue	1,178,000	
Q	New Dimension - Search & Rescue	104,000	

Transfers from resource spending (capital grants) to Capital

E	Control Rooms		-13,277,000
---	---------------	--	-------------

Other changes in DEL spending

B	Housing and Planning Group Communications	700,000	
---	---	---------	--

Changes in Annually Managed Expenditure (AME)

To increase provision for:

AF	Overhanging debt repayment on disposal of Local Authority housing stock	616,000,000	
----	---	-------------	--

Other changes

Resource transfers to/from another Request for Resources

Resource

To increase provision for:

B	Analytical Services (from Local Government Research - RFR2 section C)	1,625,000	
B	Communications central budget (from Local Government Publicity - RFR2 Section C)	533,000	

Resource transfers within the Request for Resources

Administration (Resource)

To adjust provision for:

F	Central Administration	2,046,000	
G	Government Offices		-2,046,000

Introduction

		<i>Resource</i>
To adjust provision for:		
A	Gypsy Site Grant	-7,000
A	Homelessness and Housing Reform	-10,000
A	Housing Management	-277,000
A	Housing Mobility Services	-2,000
A	Housing Strategy for Older People	-150,000
A	Implementing European Union Energy Performance of Building Directive	-261,000
A	Residential Property Tribunal Service	-1,386,000
A	Supporting People Administration	-229,000
A	Sustainable Buildings	-198,000
A	Thames Gateway (Direct Funding)	-1,600,000
A	Valuation Office Agency Right to buy charges	-500,000
A	Zero Carbon Buildings	-3,137,000
B	Communications central budget	1,010,000
B	Olympics Contributions	7,700,000
B	Renewing Neighbourhoods	25,000
B	Thames Gateway (Direct Funding)	1,574,000
C	Adults Facing Chronic Exclusion	150,000
C	Cohesion & Race Equality	-600,000
C	Community Empowerment	-3,887,000
C	Community Policy	140,000
C	Tackling Extremism	-15,000
D	E-Planning	-180,000
D	Implementing Planning Reforms	694,000
D	Leaders Boards	-680,000
E	Control Rooms	13,277,000
E	Fire and Rescue Service Improvement Programme	-6,875,000
E	Fire Service Statistics	-271,000
E	Firelink	8,250,000
E	New Dimension - Search & Rescue	12,446,000
J	European Regional Development Fund Losses and Write-offs	13,124,000
J	INTERREG	-31,000
K	Efficient Geographic and Statistical Data	-600,000
K	Ordnance Survey Trading Fund	-2,844,000
L	Queen Elizabeth II Conference Centre	159,000
M	Capital Pooled Housing Receipts	-18,550,000
M	Extend Social Housing Regulations to Local Authority Stock	-1,000,000
M	Housing Management	-523,000
M	Housing Mobility Services	800,000
M	Housing Strategy for Older People	150,000
M	Zero Carbon Buildings	3,000,000
N	Free Swimming	1,736,000
O	Migration Impacts Fund	-2,125,000
P	Leaders Boards	-1,320,000
Q	Fire and Rescue Service Improvement Programme	1,236,000
Q	Firelink	-8,250,000
Q	New Dimension - Mass Decontamination	-5,932,000
Q	New Dimension - Search & Rescue	-7,914,000
R	Area Based Grants	3,883,000

Introduction

Transfers to/from non-voted spending

Resource

To adjust provision for:

J	European Regional Development Fund Losses and Write-offs	1,125,000	
K	Ordnance Survey Trading Fund		-2,100,000
M	Capital Pooled Housing Receipts		-950,000
M	Growth Areas New Growth Points & ECO Towns		-1,965,000
M	Regional Housing Pot Grant	5,914,000	

Changes in non-budget spending

To decrease provision for:

AA	Loan charges on Defective Housing Grant		-7,000,000
----	---	--	------------

Additional provision for:

AA	Homes and Communities Agency	849,443,000	
AA	Tenant Services Authority		-1,219,000
AA	Thames Gateway London UDC	950,000	
AA, AG	Re-mapping of Thames Gateway Programme from Estimate Line AA to new Estimate Line AG	65,250,000	-65,250,000

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

To increase provision for expenditure and corresponding appropriations in aid

E	Firelink	7,120,000	-7,120,000
G	Government Offices	21,833,000	-21,833,000
K	Ordnance Survey Trading Fund	5,160,000	-5,160,000
M	Capital Pooled Housing Receipts	19,500,000	-19,500,000

To decrease provision for expenditure and corresponding appropriations in aid

F	Central Administration	10,117,000	-10,117,000
L	Queen Elizabeth II Conference Centre	159,000	-159,000

Totals

1,690,113,000 **-262,755,000**

Total RfR 1

1,427,358,000

Introduction

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

Section Reason for Change

Changes related to movements in budgets

Changes in Annually Managed Expenditure (AME)

H	Non Domestic Rates outturn adjustments	650,000,000
---	--	-------------

Other changes

Resource transfers to/from another Request for Resources

	To decrease provision for :	
C	Local Government Publicity (to Communications central budget- RFR1 section B)	-533,000
C	Local Government Research (to Strategic Research budget - RFR1 section B)	-1,625,000

Changes in non-budget spending

	Decrease in provision for:	
I	Commission for Local Administration	-216,000

<u>Totals</u>		650,000,000	-2,374,000
----------------------	--	--------------------	-------------------

Total RfR 2			647,626,000
--------------------	--	--	--------------------

Total change in resources for Estimate:			2,074,984,000
--	--	--	----------------------

Changes in capital

Section Reason for Change

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

Changes related to movements in budgets

Other changes

Transfers to resources (capital grants) from capital spending

E	Fire and Rescue Service Improvement Programme	-1,040,000
E	New Dimension - Mass Decontamination	-300,000
E	New Dimension - Search & Rescue	-1,282,000

Introduction

Transfers from capital grants (resource) to capital

E	Control Rooms	13,277,000	
---	---------------	------------	--

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

To decrease provision for expenditure and corresponding appropriations in aid

E	Control Rooms	13,277,000	-13,277,000
---	---------------	------------	-------------

	<u>Totals</u>	26,554,000	-15,899,000
--	----------------------	-------------------	--------------------

	Total RfR 1		10,655,000
--	--------------------	--	-------------------

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £2,085,639,000.
3. Symbols are explained in the Introduction to this booklet.

Department for Communities and Local Government

Part I

	£
Request for Resources 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	1,427,358,000
Request for Resources 2: Providing for effective devolved decision making within a national framework	647,626,000
Total additional net resource requirement	2,074,984,000
Additional net cash requirement	2,085,639,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Department for Communities and Local Government on:

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

housing revenue account subsidy; homelessness, rough sleepers and housing reform; payments to the Homes and Communities Agency; the Tenant Services Authority; mortgage support for homeowners; Housing Strategy for Older People; payments to the Audit Commission for registered social landlord inspections; disabled facilities grant; capacity building and efficiency improvements; Implementing European Energy Performance of Building Directive and Home Information Packs; payments to local authorities in respect of Area Based Grant including the Supporting People Programme; leasehold advisory services; choice-based local authority lettings; tenant empowerment; Arms Length Management Organisations; Large Scale Voluntary Transfers; housing transfers; regional housing boards advice; capital grants to local authorities for housing; Shanghai Expo 2010; overhanging debt; loan charges on improvement grants;

Private Housing renewal; implementing planning reform; Housing Planning Delivery Grant; Housing Defects grant; payments to Residential Property Tribunal Service; e-planning; Mortgage Rescue; Housing Mobility; Leaders Boards; Housing Design Awards; Housing Management; payments to Infrastructure Planning Commission.

Payments to the Commission for Architecture and the Built Environment; payments to the Valuation Office Agency in respect of Right to Buy and fair rent work; deprived neighbourhoods, including the New Deal for Communities programmes; payments to the Department for Culture, Media and Sport in respect of free swimming; payments to the Department for Business Innovation, and Skills for Regional Development Agencies and the London Development Agency; Groundwork;

initiatives to accelerate the growth areas, New Growth points and Eco-towns including transport schemes and payments to development corporations and other local delivery agencies; Support for the construction of venues and infrastructure related to the Olympic Games; grants and payments for creating and improving parks and public spaces; co-ordinating strategy for dealing with abandoned vehicles; payments that derive from European Structural Funds Regulations; exchange rate losses and other losses relating to European Regional Development Fund (ERDF) projects; coalfields regeneration and Enterprise Fund; 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 superannuation costs; fire service dispute(s); payments to Firebuy; work on improving race, gender and faith equalities; payments to the Community Development Foundation ; Community Cohesion; Community empowerment;

Part I

Mapping data and services; Ordnance Survey trading fund; 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; zero carbon and climate change; payment and recovery of medical appeals; funding of Regional Improvement and Efficiency Partnership's (RIEP) for capacity building and other improvement purposes; Digital inclusion support; 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; 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 inspections; revenue support grant and redistributed non-domestic rates to receiving authorities in England; repayments of excess contributions made by local authorities in respect of non-domestic rates in 2009-10 and previous years; Greater London Authority (GLA) general grant and pension payments; intervention action and capacity building in local authorities; Local Area Agreement Reward Grant and the Local Public Service Agreement (PSA) performance fund payments; grants paid under section 31 and 36 of the Local Government Act 2003; emergency financial assistance to local authorities; payments to bodies specified by the Secretary of State under section 78 of the Local Government Finance Act 1988, as amended; mapping and other costs associated with local government reviews and revisions to administrative and electoral boundaries following Parish and Electoral Commission reviews; grant in aid to the Standards Board for England; the Valuation Tribunal Service and to the Commission for Local Administration in England; payments in respect of the capital element of contracts let under the private finance initiative; research, development, surveys, monitoring, statistics, advice and consultancies; publicity, promotion and publications; special payments and associated non-cash items.

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions						
		1,470,695	43,337	1,427,358		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Improving the supply and quality of housing	114,122	-13,811	-	-13,811	100,311
B	Building prosperous communities, promoting regeneration and tackling deprivation	1,361,200	12,386	-	12,386	1,373,586
C	Developing communities that are cohesive, active and resilient to extremism	44,100	-4,212	-	-4,212	39,888
D	Providing a more efficient, effective and transparent planning system	81,168	-4,316	-	-4,316	76,852
E	Ensuring safer communities by providing the framework to prevent and respond to emergencies	74,362	23,192	7,120	16,072	90,434
F	Central Administration	173,541	-8,071	-10,117	2,046	175,587
G	Government Office Administration	103,659	20,077	21,833	-1,756	101,903
J	European Structural Funds - Communities and Local Government	96,137	20,570	-	20,570	116,707
K	Ordnance Survey	20,950	-384	5,160	-5,544	15,406
L	Queen Elizabeth II Conference Centre Executive Agency	-1,409	-	-159	159	-1,250
<i>Support for Local Authorities</i>						
M	Improving the supply and quality of housing	587,993	-13,513	19,500	-33,013	554,980
N	Building prosperous communities, promoting regeneration and tackling deprivation	119,068	1,736	-	1,736	120,804
O	Developing communities that are cohesive, active and resilient to extremism	12,250	1,895	-	1,895	14,145
P	Providing a more efficient, effective and transparent planning system	10,810	-5,320	-	-5,320	5,490

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
Q Ensuring safer communities by providing the framework to prevent and respond to emergencies	129,086	-20,860	-	-20,860	108,226
R Area Based Grant	2,162,655	3,152	-	3,152	2,165,807
Non-Budget					
AA Improving the supply and quality of housing	3,099,142	776,924	-	776,924	3,876,066
Spending in Annually Managed Expenditure (AME)					
<i>Support for Local Authorities</i>					
AF Improving the supply and quality of housing	-	616,000	-	616,000	616,000
Non-Budget					
AG Building prosperous communities promoting regeneration & tackling deprivation	-	65,250	-	65,250	65,250
RfR 2: Providing for effective devolved decision making within a national framework					
		647,626	-	647,626	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
C Local Government research and publicity, boundary reviews: mapping costs	2,778	-2,158	-	-2,158	620
Spending in Annually Managed Expenditure (AME)					
<i>Support for Local Authorities</i>					
H Non-Domestic Rates outturn adjustments and Local Authority Business Growth Incentive	463,000	650,000	-	650,000	1,113,000
Non-Budget					
I Non-Departmental Public Bodies	30,903	-216	-	-216	30,687
Total for Estimate:		2,118,321	43,337	2,074,984	

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
--	--------------------------	---------------------------------	---------------------	----------------------------	----------------------

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	108,720	-2,622	106,098
Non-Operating A in A	52,601	-13,277	39,324
Net cash requirement	35,357,365	2,085,639	37,443,004

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions								
299,922	786,862	9,931,852	11,018,636	628,662	10,389,974	106,098	39,324	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Improving the supply and quality of housing							
-	34,569	71,042	105,611	5,300	100,311	-	-	
B	Building prosperous communities, promoting regeneration and tackling deprivation							
-	28,583	1,347,003	1,375,586	2,000	1,373,586	5,000	-	
C	Developing communities that are cohesive, active and resilient to extremism							
-	20,581	19,557	40,138	250	39,888	-	-	
D	Providing a more efficient, effective and transparent planning system							
-	69,772	7,080	76,852	-	76,852	3,331	-	
E	Ensuring safer communities by providing the framework to prevent and respond to emergencies							
-	90,584	7,420	98,004	7,570	90,434	43,843	39,324	
F	Central Administration							
168,138	17,087	-	185,225	9,638	175,587	16,064	-	
G	Government Office Administration							
131,784	1,952	-	133,736	31,833	101,903	2,860	-	
H	European Structural Funds- net (expenditure and income relating to old programmes)							
-	-	1	1	-	1	-	-	
I	European Structural Funds- income relating to 2007-13 programmes							
-	-	-	-	508,371	-508,371	-	-	
J	European Structural Funds - Communities and Local Government							
-	3,706	113,001	116,707	-	116,707	-	-	
K	Ordnance Survey							
-	45,156	-	45,156	29,750	15,406	35,000	-	
L	Queen Elizabeth II Conference Centre Executive Agency							
-	-	-	-	1,250	-1,250	-	-	
<i>Support for Local Authorities</i>								
M	Improving the supply and quality of housing							
-	-	587,680	587,680	32,700	554,980	-	-	
N	Building prosperous communities, promoting regeneration and tackling deprivation							
-	-	120,804	120,804	-	120,804	-	-	
O	Developing communities that are cohesive, active and resilient to extremism							
-	-	14,145	14,145	-	14,145	-	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
P	Providing a more efficient, effective and transparent planning system	-	-	5,490	5,490	-	5,490	-	-
Q	Ensuring safer communities by providing the framework to prevent and respond to emergencies	-	-	108,226	108,226	-	108,226	-	-
R	Area Based Grant	-	-	2,165,807	2,165,807	-	2,165,807	-	-
S	European Structural Funds- net (expenditure and income relating to old programmes)	-	-	1	1	-	1	-	-
T	European Structural Funds- payments to London Development Agency for 2007-13 programme	-	-	25,201	25,201	-	25,201	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
U	Improving the supply and quality of housing	-	469,711	100	469,811	-	469,811	-	-
V	Ensuring safer communities by providing the framework to prevent and respond to emergencies	-	-	156	156	-	156	-	-
W	Central Administration	-	4,940	-	4,940	-	4,940	-	-
X	Government Office Administration	-	60	-	60	-	60	-	-
Y	Providing a more efficient effective trans	-	161	-	161	-	161	-	-
<i>Support for Local Authorities</i>									
Z	Ensuring safer communities by providing the framework to prevent and respond to emergencies	-	-	289,800	289,800	-	289,800	-	-
Non-Budget									
AA	Improving the supply and quality of housing	-	-	3,876,066	3,876,066	-	3,876,066	-	-
AB	Ensuring safer communities by providing the framework to prevent and respond to emergencies	-	-	2,586	2,586	-	2,586	-	-
AC	European Structural Funds- payments to Regional Development Agencies for 2007-13 programme	-	-	483,170	483,170	-	483,170	-	-
AD	Area Based Grant	-	-	1	1	-	1	-	-
AE	Providing a more efficient, effective and transparent planning system	-	-	6,265	6,265	-	6,265	-	-

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
Spending in Annually Managed Expenditure (AME)								
<i>Support for Local Authorities</i>								
AF	Improving the supply and quality of housing		616,000	616,000	-	616,000	-	-
	-	-						
Non-Budget								
AG	Building prosperous communities promoting regeneration & tackling deprivation		65,250	65,250	-	65,250	-	-
	-	-						
RfR 2: Providing for effective devolved decision making within a national framework								
	-	160,653	26,860,686	27,021,339	2,136	27,019,203	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Valuation Services		-	150,196	-	150,196	-	-
	-	150,196	-	150,196	-	150,196	-	-
B	Best Value Inspection Subsidies to public corporations & Best Value Intervention costs		-	9,772	-	9,772	-	-
	-	9,772	-	9,772	-	9,772	-	-
C	Local Government research and publicity, boundary reviews: mapping costs		-	685	-	685	65	620
	-	685	-	685	65	620	-	-
<i>Support for Local Authorities</i>								
D	Revenue Support Grants		-	4,076,008	-	4,076,008	-	-
	-	4,076,008	-	4,076,008	-	4,076,008	-	-
E	Non-Domestic Rates Payments		-	21,500,000	-	21,500,000	-	-
	-	21,500,000	-	21,500,000	-	21,500,000	-	-
F	London governance		-	48,136	-	48,136	-	-
	-	48,136	-	48,136	-	48,136	-	-
G	Other grants and payments		-	90,784	-	90,784	-	-
	-	90,784	-	90,784	-	90,784	-	-
Spending in Annually Managed Expenditure (AME)								
<i>Support for Local Authorities</i>								
H	Non-Domestic Rates outturn adjustments and Local Authority Business Growth Incentive		-	1,113,000	-	1,113,000	-	-
	-	1,113,000	-	1,113,000	-	1,113,000	-	-
Non-Budget								
I	Non-Departmental Public Bodies		-	32,758	2,071	30,687	-	-
	-	32,758	2,071	30,687	-	30,687	-	-

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
1	2	3	4	5	6	7	8
Total for Estimate:							
299,922	947,515	36,792,538	38,039,975	630,798	37,409,177	106,098	39,324

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	35,334,193	2,074,984	37,409,177
Voted capital items			
Capital	108,720	-2,622	106,098
Less Non-operating A-in-A	52,601	-13,277	39,324
Total net voted capital	56,119	10,655	66,774
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-38,488	-	-38,488
New provisions and adjustments to previous provisions	-5,517	-	-5,517
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-390	-	-390
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	11,448	-	11,448
Total accruals to cash adjustments	-32,947	-	-32,947
Excess cash to be CFERd	-	-	-
Net Cash Requirement	35,357,365	2,085,639	37,443,004

Part III: Extra receipts payable to the Consolidated Fund

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

£'000

	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	923,587	<i>923,587</i>	909,587	<i>909,587</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	923,587	<i>923,587</i>	909,587	<i>909,587</i>

Forecast Operating Cost Statement

£'000

2010-11
Provision

Net Administration Costs

RfR 1

260,334

RfR 2

-

Total Net Administration Costs

260,334

Net Programme Costs

RfR 1

10,129,640

RfR 2

27,019,203

Non-voted

-909,587

Total Net Programme Costs

36,239,256

Total Net Operating Cost

36,499,590

of which:

Net Resource Requirement

37,409,177

Non-voted Expenditure

-

Consolidated Fund Extra Receipts

-909,587

Reduction in planned spend unable to be included in Estimate

-

Resource Budget

30,899,134

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	37,409,177
<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	-909,587
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	36,499,590
<i>Adjustments to remove:</i>	
Capital grants	-998,744
European Union income related to capital grants	-
Voted expenditure outside the budget	2,070
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	100,000
Resource consumption of non departmental public bodies	-4,791,664
Unallocated resource provision	2,831
Other adjustments	85,051
Resource Budget (Budget)	30,899,134
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	29,754,082
Annually Managed Expenditure (AME)	1,145,052

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	66,774
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	4,846,659
Capital grants	998,744
European Union income related to capital grants	-
Supported capital expenditure (revenue)	843,810
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-5,000
Capital Budget (Budget)	6,750,987
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,134,987
Annually Managed Expenditure (AME)	616,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Sir Bob Kerslake, Permanent head for the Department for Communities and Local Government

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

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

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

Administration	39,588
<i>of which:</i>	
Sale of goods and services	39,588
Programme	589,074
<i>of which:</i>	
Sale of goods and services	11,653
EU Income	508,371
Other grant income (including repayments of grants/subsidies)	32,700
Interest and dividends	7,850
Other income (including receipts)	28,500
Total RfR 1	628,662†

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

recovered grants relating to housing and regeneration programmes; charges made by the Planning Inspectorate executive agency in England and Wales; receipts from inspections by Crown Property Inspection Group; dividend payment and, interest and capital repayments on voted loans, from Ordnance Survey; dividend payment from the Queen Elizabeth II Conference Centre and interest payments on voted loans; receipts from other government departments for research in support of fire and rescue services; receipts from medical appeals to cover BUPA expenditure; receipts from regional fire and rescue control centres building developers;

interest payments on deemed and voted loans made to the Fire Service College; dividend payment from the Fire Service College; receipts from Firelink contractor ; the disposal of land, buildings, water stores, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; receipts for the use of accommodation; rental income and receipts from property and land; legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements; residual items from the sale of the Building Research Establishment; receipts associated with the Emergency Fire Services; receipts from devolved administrations in relation to Firelink; former Single Regeneration Budget programme receipts; and the sale of Property Services Agency businesses.

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

Programme	2,136
<i>of which:</i>	
Sale of goods and services	65
Other income (including receipts)	2,071
Total RfR 2	2,136†

† 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 Department for Children, Schools and Families and the return of capital grants from local authorities.

Total Operating A in A	630,798
-------------------------------	----------------

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

£'000

2010-11

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

Programme	39,324
<i>of which:</i>	
Sale of assets	39,324

Total RfR 1	39,324†
--------------------	----------------

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

Total Non-Operating A in A	39,324
-----------------------------------	---------------

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

	£'000	
	2010-11 Provision Income	Receipts
Housing Revenue Account Subsidy Δ	809,587	809,587
Pooled capital receipts from local authorities \bullet	100,000	100,000
Total	909,587	909,587

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-10,314	-35,499	29,200,375	553,707	29,754,082
<i>of which:</i>					
Administration budget	290	-	260,334	1,678	262,012
Capital DEL†	-12,005	-57,842	1,317,623	4,817,364	6,134,987
Less Depreciation††	-	29,815	-38,488	-6,719	-45,207
Total DEL	-22,319	-63,526	30,479,510	5,364,352	35,843,862

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

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

Cash which may be retained to offset expenditure

£'000

Revised

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

670,122

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR1		
A	Commission for Architecture in the Built Environment ♥	5,352
AA	Homes and Communities Agency ♥	3,831,300
AA	Leasehold Advisory Service ♥	1,482
AA	Tenant Services Authority ♥	32,019
AA	Other Growth Areas- West Northamptonshire Urban Development Corporation♥	11,265
AB	Community Development Foundation ♥	1,423
AB	Firebuy ♥	1,163
AE	Infrastructure Planning Commission ♥	6,265
AG	Thames Gateway - London Urban Development Corporation♥	39,650
AG	Thames Gateway - Thurrock Urban Development Corporation♥	25,600
RfR 2		
I	Valuation Tribunal Service ♥	10,235
I	Standards Board for England ♥	6,009
I	The Commission for Local Administration in England ♥	14,443

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
STATUTORY	
Homeowners Mortgage Support Scheme (HMSS): Statutory Contingent Liability taken on under the provisions of the Banking Act 2009 in respect of Homeowners Support Scheme.	500,000
Payments to Local Authorities under the Defective Housing grant scheme. Claims for repair or repurchase of defective Right to Buy homes sold by local authorities between 1980 and 1985	250-750
NON STATUTORY	
Potential contingent liabilities arising from the closure, in March 2010, of the 2000-2006 ERDF programmes in England	25,400
Potential contingent liabilities arising from the 1997-99 ERDF programmes in England, relating to items which are still under discussion with the European Union.	36,500
Treasury Solicitor manages a total of about 220 low liability litigation cases for the Department	500
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
Housing Management: Potential contractual liability arising from the Tenant Deposit Protection Scheme	Unquantifiable
Indemnity given to the Fire and Rescue Services in respect of possible incidents because of mass decontamination	Unquantifiable

Department for Business, Innovation and Skills

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To help ensure business success in an increasingly competitive world			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
E1 and B3	Virement from programme to administration using Digital Switchover help scheme underspend to fund broadband expansion	2,300,000	-2,300,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
J2	Increase in provisions for early retirement	14,200,000	
J3	Increase in provisions for onerous property leases on former Learning and Skills Council properties	8,100,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
B2	Virement from RfR3 for joint BIS funding of the National Council for Graduate Entrepreneurship	350,000	
B3	Virement to Skills Funding Agency (RfR3) for automotive industry		-3,700,000
E2	Virement from Science and Society (RfR2) to corporate centre	496,000	
<u>Transfers to/from non-voted spending</u>			
B2	Virement from voted expenditure to the Regional Development Agencies in relation to National Business Link marketing		-535,000

Introduction

B3	Virements from Strategic Investment Fund to Technology Strategy Board for Competition IV - Low Carbon vehicle supply chains (£5,000,000), the establishment of the UK Life Sciences Super Cluster initiative (£595,000), to advance new 'prize' funds in emerging technologies (£5,000,000), the Composites Challenge Fund (£6,000,000), and the Industrial Biotechnical Demonstrator Fund (£2,555,000)	-19,150,000
B5	Additional contributions from Department for Work and Pensions to the Regional Development Agencies for the Self Employment programme	-6,179,000
B5	Additional contributions from Department for Transport to the Regional Development Agencies for delivering a sustainable transport system	-228,000
B5	Additional contributions from Department for Transport to the Regional Development Agencies for regional infrastructure funds	-32,400,000
F3	Virement to the Departmental Unallocated Provision from the London Development Agency	-10,000,000
	<u>Increases in non-budget spending</u>	
L3	Virements from Strategic Investment Fund to Technology Strategy Board for Competition IV - Low Carbon vehicle supply chains (£5,000,000), the establishment of the UK Life Sciences Super Cluster initiative (£595,000), to advance new 'prize' funds in emerging technologies (£5,000,000), the Composites Challenge Fund (£6,000,000), and the Industrial Biotechnical Demonstrator Fund (£2,555,000)	19,150,000
L3	Cash consequences of virement from Departmental Unallocated Provision to the Technology Strategy Board for the Airbus protocol	4,100,000
M3	Additional contributions from Department for Work and Pensions to the Regional Development Agencies for the Self Employment programme	6,179,000
M3	Cash consequences of budget transfer from Department for Work and Pensions to the Regional Development Agencies for School Gates Initiative	413,000
M3	Additional contributions from Department for Transport to the Regional Development Agencies for delivering a sustainable transport system	228,000

Introduction

M3	Additional contributions from Department for Transport to the Regional Development Agencies for regional infrastructure funds	32,400,000	
M3	Virement from voted expenditure to the Regional Development Agencies in relation to National Business Link marketing	535,000	
M3	Increase in the Regional Development Agencies Corporation Tax payments	2,450,000	
M3	Cash consequences of virement from Skills Funding Agency (RfR3) to non-voted expenditure by the Regional Development Agencies for Train to Gain	97,000	
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
B5 and B3	Reduction in gross expenditure and receipts in relation to Digital Switchover Help Scheme	9,300,000	-9,300,000
B5 and F3	Reduction in contributions from the Department for Communities and Local Government to the London Development Agency	30,000,000	-30,000,000
<u>Totals</u>		130,298,000	-113,792,000
<u>Total RfR 1</u>		16,506,000	

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

Section Reason for Change

Other changes

Resource transfers to/from another Request for Resources

E3	Virement from Science and Society to corporate centre (RfR1)		-496,000
<u>Resource transfers within the Request for Resources</u>			
F3 and D3	Virement from Research Base initiatives to Economic Impact	500,000	-500,000
K3 and O3	Virement of Grant in Aid from Science and Technology Facilities Council to Economic and Social Research Council	10,000,000	-10,000,000
N3 and J3	Virement of Grant in Aid from Biotechnology and Biological Sciences Research Council to Natural Environment Research Council	2,000,000	-2,000,000

Introduction

Transfers to/from non-voted spending

D3	Virement from Research Based initiatives to non-voted expenditure by the Research Councils		-13,000
----	--	--	---------

G3	Virement from non-voted expenditure by the Research Councils to the Research Capital Investment Fund	1,300,000	
----	--	-----------	--

Transfers from capital to capital grants

C3	Reclassification of British Academy expenditure from capital to capital grants	1,600,000	
----	--	-----------	--

<u>Totals</u>		15,400,000	-13,009,000
----------------------	--	-------------------	--------------------

<u>Total RfR 2</u>			<u>2,391,000</u>
---------------------------	--	--	-------------------------

RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation

Section Reason for Change

Changes related to movements in budgets

Take up of Departmental Unallocated Provision

C2	Virement from Departmental Unallocated Provision for Research and Analytical Services	2,533,000	
----	---	-----------	--

C2	Virement from Departmental Unallocated Provision for Government Skills	25,000	
----	--	--------	--

C3	Virement of Premature Retirement Compensation Scheme and Voluntary Colleges budget to Departmental Unallocated Provision		-60,000
----	--	--	---------

C3	Virement of consultancy savings to Departmental Unallocated Provision		-3,102,000
----	---	--	------------

Transfers of budgetary cover to/from other government departments

C3	Transfer from Department for Communities and Local Government for Migration Impact Fund	4,280,000	
----	---	-----------	--

C3	Transfer from Ministry of Justice for Offender Learning	9,521,000	
----	---	-----------	--

C3	Transfer from the Skills Funding Agency of funding for Learners with Learning Difficulties and/or Disabilities to the Department for Education		-20,000,000
----	--	--	-------------

Introduction

Other changes

Resource transfers to/from another Request for Resources

A2	Virement to RfR1 for joint BIS funding of the National Council for Graduate Entrepreneurship		-350,000
C3	Virement from Strategic Investment Fund (RfR1) for the automotive industry	3,700,000	

Resource transfers within the Request for Resources

A3 and A2	Reclassification in relation to Discretionary Higher Education Grants	2,750,000	-2,750,000
A3 and B3	Reclassification in relation to Higher Education Learning Fund	2,725,640,000	-2,725,640,000
B3 and C2	Virement from Individual Learning Accounts and Adult Guidance to Tuition Fees & Part Time Student Support	9,971,000	-9,971,000
C3 and A2	Virement from Higher Education Places Student Support to Post 16 Standards	4,578,000	-4,578,000
C3 and A3	Virement from Higher Education Participation Programmes to Post 16 Standards	4,905,000	-4,905,000
C3 and C2	Virement from Individual Learning Accounts and Adult Guidance to Post 16 Standards	19,712,000	-19,712,000

Transfers to/from non-voted spending

A2	Virement of Higher Education Shared Services and other Higher Education Participation Programmes to non-voted expenditure by the Higher Education Funding Council for England		-30,500,000
A2	Virement to Higher Education Student Support of non-voted expenditure by the Higher Education Funding Council for England	930,000	
A2	Virement of Higher Education Student Support to non-voted expenditure by the UK Commission for Employment and Skills		-6,048,000
A2	Virement of Higher Education Student Support to non-voted expenditure by the Student Loans Company		-4,904,000
A3	Virement of Higher Education Modernisation Fund to non-voted expenditure by the Higher Education Funding Council for England		-133,000,000

Introduction

A5	Increased receipts from Department for Education for 'Routes into Languages' funding to be distributed by non-voted Higher Education Funding Council for England	-823,000
B5	Increased receipts from Department for Education for Repayment of Teacher Loan work to be undertaken by the non-voted Student Loans Company	-299,000
C2	Virement from Annual Population Survey to non-voted expenditure by the Higher Education Funding Council for England	-140,000
C2	Virement from non-voted expenditure by the UK Commission for Employment and Skills to Adult Skills and Learner Support	100,000
C3	Virement from non-voted expenditure by the UK Commission for Employment and Skills to the Skills Funding Agency	15,000
C3	Virement from Skills Funding Agency to non-voted expenditure by the Regional Development Agencies (RfRA) for Train to Gain	-97,000
C5	Increased contributions from other Departments to fund increased non-voted expenditure by the UK Commission for Employment and Skills	-4,176,000
	<u>Increases in non-budget spending</u>	
G3	Cash consequences of virement of Higher Education Shared Services and other Higher Education participation programmes to non-voted expenditure by the Higher Education Funding Council for England	30,500,000
G3	Cash consequences of virement from voted expenditure on Annual Population Survey to non-voted expenditure by the Higher Education Funding Council for England	140,000
G3	Cash consequences of virement of Higher Education Modernisation Fund to non-voted expenditure by the Higher Education Funding Council for England	133,000,000
G3	Cash consequences of distribution by non-voted Higher Education Funding Council for England of increased receipts from Department for Education for 'Routes into Languages' funding	823,000
G3	Reduction in Higher Education Funding Council for England Grant in aid reflecting virement to voted expenditure on Higher Education Student Support	-930,000
I3	Cash consequences of increased receipts from Department for Education for Repayment of Teacher Loan work to be undertaken by the Student Loans Company	299,000

Introduction

I3	Increase in Student Loans Company Grant in Aid reflecting virement from voted expenditure on Higher Education Student Support	4,904,000	
J3	Cash consequences of a transfer from the Department for Education for non-voted expenditure by the UK Commission for Employment and Skills for the National Vocational Qualification Levy	1,990,000	
J3	Increase in UK Commission for Employment and Skills Grant in aid reflecting increased contributions from other Departments	4,176,000	
J3	Increase in UK Commission for Employment and Skills Grant in aid reflecting virement from Higher Education Student Support (£6,048,000) and to Skills Funding Agency (£15,000)	6,033,000	
J3	Increase in UK Commission for Employment and Skills Grant in aid reflecting additional cash requirements	1,650,000	
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A2 and A5	Increased contributions from Department of Health for Aimhigher regional healthcare pilots	600,000	-600,000
A5 and A3	Reduction in contributions from the devolved administrations towards the Erasmus programme	47,000	-47,000
B2 and A5	Increased receipts from Department of Health to cover additional student support costs resulting from upgrading nursing courses from diploma to degree level	2,800,000	-2,800,000
C2 and C5	Increase in gross expenditure and receipts in relation to Training and Enterprise Council liquidations	330,000	-330,000
C5 and C2	Reduction in gross expenditure and receipts in relation to Government Skills	1,603,000	-1,603,000
C3 and C5	Increases in gross expenditure and receipts in relation to Learning and Skills Improvement Service (£15,205,000), and UK Online in Smarter Government (£9,300,000)	24,505,000	-24,505,000
C3 and C5	Increases in gross expenditure and receipts in relation to Euro programmes and international programmes	1,089,000	-1,089,000
C3 and C5	Increase in Skills Funding Agency expenditure funded from European Social Fund receipts	375,297,000	-375,297,000
Totals		3,378,446,000	-3,378,256,000
Total RfR 3		190,000	
Total change in resources for Estimate:		19,087,000	

Introduction

Changes in capital

Section Reason for Change

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

Other changes

Transfers to/from non-voted spending

B7	Virement from non-voted expenditure by the Higher Education Funding Council for England to British Shipbuilders	5,000,000	
	<u>Totals</u>	5,000,000	-
Total RfR 1			5,000,000

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

Other changes

Transfers from capital to capital grants

C7	Reclassification of British Academy expenditure from capital to capital grants		-1,600,000
	<u>Totals</u>	-	-1,600,000
Total RfR 2			-1,600,000

RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation

Changes related to movements in budgets

Changes in Annually Managed Expenditure (AME)

E7	Reduction in student loan awards		-160,359,000
E8	Reduction in repayment of student loans	19,844,000	
	<u>Totals</u>	19,844,000	-160,359,000
Total RfR 3			-140,515,000
Total changes in capital for Estimate:			-137,115,000

- As a result of the above and associated 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 Business, Innovation and Skills

Part I

	£
Request for Resources 1: To help ensure business success in an increasingly competitive world	16,506,000
Request for Resources 2: Increasing Scientific excellence in the UK and maximising its contribution to society	2,391,000
Request for Resources 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation	190,000
Total additional net resource requirement	19,087,000
Additional net cash requirement	1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Department for Business, Innovation and Skills on:

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

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

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

the efficient management and discharge of liabilities falling to the Department, including nuclear waste management and decommissioning and liabilities in respect of former shipbuilding industry employees; provision of repayable credit facilities for Royal Mail; exchange risk and other guarantee losses; subscriptions to international organisations and fulfilment of international treaty obligations; payments to other Government departments and the Devolved Administrations in relation to programmes supporting BIS objectives; support for Government Offices; funding and grants-in-aid to organisations promoting BIS objectives, including Non-Departmental Public Bodies; financial assistance to public corporations and trading funds including Ofcom; managing the Government's shareholder interest in the portfolio of commercial businesses wholly or partly owned by Government; property asset management; funding of the Department's executive agencies; issuing budgets and making payments to Regional Development Agencies, to which other Government departments will contribute by supplying resources which BIS will appropriate in aid; payments to local authorities in respect of Local Area Agreements and New Burdens responsibilities;

miscellaneous programmes, including payments in respect of claims for the restitution of property of victims of Nazi persecution, compensation for distant water trawlermen and assistance to redundant steelworkers; Departmental administration costs and a share of the administration costs of UK Trade and Investment; payments towards the expenses of the Office of Manpower Economics. Associated non-cash items.

Part I

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

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

RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation

Further, higher and other education provision and initiatives for young people and adults; research and related initiatives at institutions delivering higher education; training, skills, enterprise, assessment and advice and guidance provision for young people, adults and employers and related initiatives; financial and other support for students and trainees including grants, allowance, access funds, loans and their repayment, the resource consequences of loans to students;

support for students through Local Authorities; the cost of sales of the student loan debt; reimbursement of fees for qualifying European Union students; post graduate awards; mandatory student awards; education maintenance allowances and childcare and transport support; loans and residual costs of the winding up of the Training and Enterprise Councils (TECs); the distribution of residual TEC assets returned to the Secretary of State under the terms of the TEC licence; investments and loans to support PFI; initiatives and programmes supported by the European Union;

international programmes including payments to the Department for Work and Pensions for the UK subscription to the International Labour Organisation and other international programmes; initiatives to support, improve and promote education, training, skills and student and trainee support; grants in aid and other funding to organisations promoting BIS objectives including Non-Departmental Public Bodies; departmental and others' costs of administering the above including payments to the Department for Education.

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 and the devolved administrations. Expenditure relates primarily to England, but in some cases includes supporting activities in other parts of the United Kingdom and abroad. Associated non-cash items.

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To help ensure business success in an increasingly competitive world					
		16,013	-493	16,506	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
B Business Creation and Growth	-518,006	-34,635	-493	-34,142	-552,148
E Professional Support and Infrastructure	282,512	2,796	-	2,796	285,308
<i>Support for Local Authorities</i>					
F Business Creation and Growth	318,589	-40,000	-	-40,000	278,589
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
J Professional Support and Infrastructure	-19,608	22,300	-	22,300	2,692
Non-Budget					
L Knowledge Transfer and Innovation	334,315	23,250	-	23,250	357,565
M Business Creation and Growth	1,132,189	42,302	-	42,302	1,174,491
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society					
		2,391	-	2,391	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
C British Academy	26,448	1,600	-	1,600	28,048
D Research Base Initiatives	6,598	-513	-	-513	6,085
E Science and Society	17,441	-496	-	-496	16,945

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
F	Economic Impact	12,500	500	-	500	13,000
G	Research Capital Investment Fund	31,431	1,300	-	1,300	32,731
Non-Budget						
J	Biotechnology and Biological Sciences Research Council	481,000	-2,000	-	-2,000	479,000
K	Economic and Social Research Council	178,000	10,000	-	10,000	188,000
N	Natural Environment Research Council	415,000	2,000	-	2,000	417,000
O	Science and Technology Facilities Council	623,000	-10,000	-	-10,000	613,000
RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation			408,459	408,269	190	
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Higher Education	337,976	2,542,838	4,176	2,538,662	2,876,638
B	Higher Education Support for Students	2,965,522	-2,712,869	299	-2,713,168	252,354
C	Further Education, Skills and International Programmes	5,455,575	395,905	403,794	-7,889	5,447,686
Non-Budget						
G	Higher Education Funding Council for England	7,205,405	163,533	-	163,533	7,368,938
I	Student Loans Company	79,601	5,203	-	5,203	84,804
J	UK Commission for Employment and Skills	61,777	13,849	-	13,849	75,626
Total for Estimate:			426,863	407,776	19,087	

Part II: Changes proposed

Capital and Cash

	£'000		
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	13,776,803	-156,959	13,619,844
Non-Operating A in A	7,976,011	-19,844	7,956,167
Net cash requirement	24,607,931	1	24,607,932

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: To help ensure business success in an increasingly competitive world								
347,843	556,143	2,588,303	3,492,289	1,360,295	2,131,994	7,171,112	6,450,166	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Knowledge Transfer and Innovation							
-	70,573	31,030	101,603	3,159	98,444	5,331	166	
B	Business Creation and Growth							
41,146	132,874	445,350	619,370	1,171,518	-552,148	53,800	-	
C	Free and Fair Markets							
2,005	238,245	83,326	323,576	154,570	169,006	5,065	-	
D	Government as Shareholder							
8,882	154,000	10,000	172,882	-	172,882	-	-	
E	Professional Support and Infrastructure							
295,810	16,374	1,172	313,356	28,048	285,308	6,916	-	
<i>Support for Local Authorities</i>								
F	Business Creation and Growth							
-	-	278,589	278,589	-	278,589	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
G	Business Creation and Growth							
-	-51,500	66,000	14,500	-	14,500	-	-	
H	Free and Fair Markets							
-	1,000	61,890	62,890	-	62,890	-	-	
I	Government as Shareholder							
-	-	6,829	6,829	3,000	3,829	7,100,000	6,450,000	
J	Professional Support and Infrastructure							
-	-5,423	8,115	2,692	-	2,692	-	-	
<i>Support for Local Authorities</i>								
K	Business Creation and Growth							
-	-	3,000	3,000	-	3,000	-	-	
Non-Budget								
L	Knowledge Transfer and Innovation							
-	-	357,565	357,565	-	357,565	-	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources						Capital	
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
M	Business Creation and Growth	-	-	1,174,491	1,174,491	-	1,174,491	-	-
N	Better Regulation	-	-	4,400	4,400	-	4,400	-	-
O	Free and Fair Markets	-	-	48,709	48,709	-	48,709	-	-
P	Government as Shareholder	-	-	7,837	7,837	-	7,837	-	-
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society									
		-	34,400	3,771,193	3,805,593	-	3,805,593	-	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	The Royal Society	-	-	48,558	48,558	-	48,558	-	-
B	Royal Academy of Engineering	-	-	12,826	12,826	-	12,826	-	-
C	British Academy	-	-	28,048	28,048	-	28,048	-	-
D	Research Base Initiatives	-	-	6,085	6,085	-	6,085	-	-
E	Science and Society	-	-	16,945	16,945	-	16,945	-	-
F	Economic Impact	-	-	13,000	13,000	-	13,000	-	-
G	Research Capital Investment Fund	-	-	32,731	32,731	-	32,731	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
H	Research Councils' Pension Scheme	-	34,100	-	34,100	-	34,100	-	-
Non-Budget									
I	Arts and Humanities Research Council	-	-	109,000	109,000	-	109,000	-	-
J	Biotechnology and Biological Sciences Research Council	-	-	479,000	479,000	-	479,000	-	-

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
K	Economic and Social Research Council	-	-	188,000	188,000	-	188,000	-	-
L	Engineering and Physical Sciences Research Council	-	-	817,000	817,000	-	817,000	-	-
M	Medical Research Council	-	-	719,000	719,000	-	719,000	-	-
N	Natural Environment Research Council	-	-	417,000	417,000	-	417,000	-	-
O	Science and Technology Facilities Council	-	-	613,000	613,000	-	613,000	-	-
P	Fees Payable under the Animals (Scientific Procedures) Act 1986	-	300	-	300	-	300	-	-
Q	Higher Education Funding Council for England	-	-	271,000	271,000	-	271,000	-	-
RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation									
	-	194,692	16,386,688	16,581,380	2,136,660	14,444,720	6,448,732	1,506,001	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Higher Education	-	28,280	2,855,393	2,883,673	7,035	2,876,638	-	-
B	Higher Education Support for Students	-	2,800	249,853	252,653	299	252,354	-	-
C	Further Education, Skills and International Programmes	-	163,612	5,692,268	5,855,880	408,194	5,447,686	2,600	-
D	Further Education receipts from the Department for Education	-	-	-	-	788,000	-788,000	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
E	Loans to Students	-	-	55,842	55,842	933,132	-877,290	6,446,132	1,506,001
F	Further Education, Skills and International programmes	-	-	3,500	3,500	-	3,500	-	-

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital	
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
	1	2	3	4	5	6	7	8
Non-Budget								
G	Higher Education Funding Council for England							
	-	-	7,368,938	7,368,938	-	7,368,938	-	-
H	Office for Fair Access							
	-	-	464	464	-	464	-	-
I	Student Loans Company							
	-	-	84,804	84,804	-	84,804	-	-
J	UK Commission for Employment and Skills							
	-	-	75,626	75,626	-	75,626	-	-
Total for Estimate:								
	347,843	785,235	22,746,184	23,879,262	3,496,955	20,382,307	13,619,844	7,956,167

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	20,363,220	19,087	20,382,307
Voted capital items			
Capital	13,776,803	-156,959	13,619,844
Less Non-operating A-in-A	7,976,011	-19,844	7,956,167
Total net voted capital	5,800,792	-137,115	5,663,677
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-68,091	-100	-68,191
New provisions and adjustments to previous provisions	-1,552,278	-22,210	-1,574,488
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-702	-	-702
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-27,515	-90	-27,605
Increase (-) / Decrease (+) in creditors	-	140,429	140,429
Use of provisions	92,505	-	92,505
Total accruals to cash adjustments	-1,556,081	118,029	-1,438,052
Excess cash to be CFERd	-	-	-
Net Cash Requirement	24,607,931	1	24,607,932

Part III: Extra receipts payable to the Consolidated Fund

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

	£'000			
	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	33,631	<i>33,631</i>	33,631	<i>33,631</i>
Non-operating income not classified as A in A	184,500	<i>184,500</i>	171,360	<i>171,360</i>
Other amounts collectable on behalf of the Consolidated Fund	90,000	<i>90,000</i>	90,000	<i>90,000</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	308,131	308,131	294,991	294,991

Forecast Operating Cost Statement

£'000

**2010-11
Provision**
Net Administration Costs

RfR 1	319,843
RfR 2	-
RfR 3	-

Total Net Administration Costs **319,843**
Net Programme Costs

RfR 1	1,812,151
RfR 2	3,805,593
RfR 3	14,444,720
Non-voted	364,695

Total Net Programme Costs **20,427,159**
Total Net Operating Cost
20,747,002
of which:

Net Resource Requirement	20,382,307
Non-voted Expenditure	398,326
Consolidated Fund Extra Receipts	-33,631

Reduction in planned spend unable to be included in Estimate -

Resource Budget
18,951,303

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

**2010-11
Provision**

Net Resource Requirement (Estimates)	20,382,307
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	398,326
Consolidated Fund Extra Receipts in the OCS	-33,631
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	20,747,002
<i>Adjustments to remove:</i>	
Capital grants	-1,082,866
European Union income related to capital grants	-
Voted expenditure outside the budget	-800
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-742,354
Unallocated resource provision	8,321
Other adjustments	22,000
Resource Budget (Budget)	18,951,303
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	19,035,986
Annually Managed Expenditure (AME)	-84,683

Reconciliation of capital expenditure between Estimates and Budgets

£'000

**2010-11
Provision**

Net Voted Capital (Estimates)	5,663,677
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-171,360
Capital spending by non-departmental public bodies	1,015,111
Capital grants	1,082,866
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-22,000
Capital Budget (Budget)	7,568,294
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,002,333
Annually Managed Expenditure (AME)	5,565,961

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1:	Martin Donnelly, Permanent Head of the Department
Request for Resources 2:	Martin Donnelly, Permanent Head of the Department
Request for Resources 3:	Martin Donnelly, Permanent Head of the Department

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

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

Administration	28,000
<i>of which:</i>	
Sale of goods and services	28,000
Programme	1,332,295
<i>of which:</i>	
Sale of goods and services	135,738
Regulatory licences, fines, penalties and taxes	109,380
Other grant income (including repayments of grants/subsidies)	1,021,218
Interest and dividends	6,159
Other income (including receipts)	59,800

Total RfR 1 **1,360,295†**

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income relating to Loan Guarantee and other small firms support schemes, receipts from the Department for Communities and Local Government, the Department for Environment, Food and Rural Affairs, the Department for Culture, Media and Sport, the Department of Energy and Climate Change, the Department for Transport and UK Trade and Investment in relation to the Regional Development Agencies and the London Development Agency;

income relating to ACAS, the Insolvency Service, legal services, consultancy, publications, secondments, departmental administration costs, central services, executive agencies and trading funds, including income relating to Ofcom; receipts from the Postal Services Commission and Office of Gas and Electricity Markets to cover the costs of the relevant Consumer Councils; receipts of dividends and interest on loans from the UK Intellectual Property Office; miscellaneous receipts from other Government Departments.

RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation

Programme	2,136,660
<i>of which:</i>	
Sale of goods and services	32,957
EU Income	375,359
Other grant income (including repayments of grants/subsidies)	7,212
Interest and dividends	933,132
Other income (including receipts)	788,000

Total RfR 3 **2,136,660†**

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

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

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

Total Operating A in A	3,496,955
-------------------------------	------------------

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

£'000

2010-11

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

Programme	6,450,166
<i>of which:</i>	
Loan, etc, repayments	6,450,166

Total RfR 1	6,450,166†
--------------------	-------------------

† Amount that may be applied as non-operating appropriations in aid, arising from: proceeds from the sale of surplus land, buildings and equipment; loan repayments, including the Royal Mail, Companies House and UKIPO, Launch Investment income and repayments and redemptions from the Capital Venture Fund.

RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation

Programme	1,506,001
<i>of which:</i>	
Loan, etc, repayments	1,506,001

Total RfR 3	1,506,001†
--------------------	-------------------

† Amount that may be applied as non-operating appropriations in aid, arising from: repayment of principal on student loans

Total Non-Operating A in A	7,956,167
-----------------------------------	------------------

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2010-11 Provision Income	Receipts
OFCOM ●	60,000	<i>60,000</i>
Companies House receipts from late filing penalties ●	30,000	<i>30,000</i>
Levies on sale of aero engines and airframes Φ	171,360	<i>171,360</i>
BNFL Equity withdrawal Δ	32,000	<i>32,000</i>
Receipt of Dividend from the Companies House Executive Agency trading fund Φ	1,582	<i>1,582</i>
Interest on loans advanced by the S of S to the Companies House Executive Agency trading fund Φ	49	<i>49</i>
Total	294,991	<i>294,991</i>

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-220,865	217,069	7,772,927	11,263,059	19,035,986
<i>of which:</i>					
Administration budget	2,300	-	319,843	3,644	323,487
Capital DEL†	-27,085	27,085	699,571	1,302,762	2,002,333
Less Depreciation††	-100	100	-68,191	-168,317	-236,508
Total DEL	-248,050	244,254	8,404,307	12,397,504	20,801,811

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	11,453,122
--	------------

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-B2	British Shipbuilders (Vosper Gap) Health Liabilities	350
RFR1-C2	Trade Policy: other resource expenditure	3,047
RFR1-C3	Trade Policy: international subscriptions	5,145
RFR1-E2	City of London Police Unit	140
RFR1-E3	Shared security services	222
RFR1-O3	Grant in Aid to SITPRO	800

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR1 - C2	Advisory, Conciliation and Arbitration Service ♥	41,037
RfR1 - L3	the Design Council ♦	6,115
RfR1 - L3	the Technology Strategy Board ♥	350,950
RfR1 - M3	Capital for Enterprise ♥	2,545
RfR1 - M3	the Regional Development Agencies ♥	1,171,946
RfR1 - N3	the Local Better Regulation Office ♥	4,400
RfR1 - O3	Consumer Focus ♥	23,162
RfR1 - O3	the Competition Service ♥	4,577
RfR1 - O3	the Competition Commission ♥	20,570
RfR1 - P3	the United Kingdom Atomic Energy Authority ♥	7,837
RfR2 - I3	Arts and Humanities Research Council ♥	109,000
RfR2 - J3	Biotechnology and Biological Sciences Research Council ♥	479,000
RfR2 - K3	Economic and Social Research Council ♥	188,000
RfR2 - L3	Engineering and Physical Sciences Research Council ♥	817,000
RfR2 - M3	Medical Research Council ♥	719,000
RfR2 - N3	Natural Environment Research Council ♥	417,000
RfR2 - O3	Science and Technology Facilities Council ♥	613,000
RfR2 - Q3	Higher Education Funding Council for England ♥	271,000
RfR3 - C3	Skills Funding Agency ♥	4,284,186
RfR3 - G3	Higher Education Funding Council for England ♥	7,368,938
RfR3 - H3	Office For Fair Access ♥	464
RfR3 - I3	Student Loans Company ♦	84,804
RfR3 - J3	UK Commission for Employment and Skills ♥	75,626

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
As at 31 March 2010 the following liabilities fell to be met from the Department's Estimate:	
Statutory Liabilities Charged to Resource Estimates:	
Nuclear: The Department has a range of civil nuclear liabilities arising through its association with the United Kingdom Atomic Energy Authority and British Nuclear Fuels Limited as well as ensuring that the Government complies with its obligations under the various international nuclear agreements and treaties.	Unquantifiable
Postal Services Act 2000: The department made available to Post Office Limited, through an agreement reached on 17 October 2003, a revolving loan facility based on commercial terms of up to £1.15 billion. This is to help the company fund its working capital cash requirements in-branch to the extent that they are connected with the provision of services of general economic interest. The package was agreed against the background of the migration of State benefits payments to a system of direct payment, alongside a Government commitment that benefit recipients will still be able to collect their benefit, in cash and in full, from Post Office branches. Post Office Limited began utilising this facility on 1 December 2003. The facility matures on the 31 March 2016, subject to State aid clearance. The outstanding balance on the revolving loan facility is £489 million at 31 March 2010 (31 March 2009: £197 million).	Up to 1,150,000
British Shipbuilders: There are contingent liabilities that arise from the Department's assurances and guarantees to British Shipbuilders. Following a legal ruling in respect of pleural plaques claims (valued at £22.5m) on 17 October 2007, the House of Lords announced that compensation cannot be made on pleural plaques. This is the current position in England and Wales as the House of Lords judgement still stands. In Scotland, the decision of the Judicial Review of the Damages (Asbestos Related Conditions) (Scotland) Act 2009, which found against the insurers, is being appealed. The appeal is scheduled to be in the summer 2010.	Unquantifiable
Merseyside Training Enterprise Council: The Department has provided a deed of indemnity of £100,000 (31 March 2009: £2 million) to the liquidators, of the Merseyside TEC, covering the funds they have returned to the Department as part of the dissolution process.	Up to 100
Lease payments: The Department is responsible for a liability to pay rent in respect of a lease in the event that the current tenant defaults. The building was originally leased for the Quality Improvement Service (QIA). If the current tenant defaults the cost to the Department is estimated to be in the region of £2.6 million, which is the estimated total value of the amounts payable until the lease expires. (31 March 2009: £3.2 million).	Up to 2,600
Indemnities: The Department is responsible for liabilities arising from deeds of indemnity given to liquidators of TECs, covering the funds that they have returned to the Department as part of the dissolution process.	c1,400
Pensions: The National Measurement Office (NMO) is responsible for the pension liabilities of the National Physics Laboratory (NPL) employees if the science contract with NPL reverts to NMO in 2014.	between 8,200 and 2,800

Contingent liabilities

Nature of Liability	£'000
Home Shipbuilding Credit Guarantee Scheme.	14,000
Local Network Indemnities.	5,930
Callable capital subscription for the Common Fund for Commodities.	1,960
Paid in capital subscription for the Common Fund for Commodities.	2,240
Liabilities that arise from the audit work carried out in respect of the delivery of activities funded through European Union initiatives or through single Regeneration Budget and other schemes sponsored by Government Departments other than the former DfES and DTI;	11,604
Liabilities that arise from the transfer of TEC/CCTE functions to successors, including from staff who have transferred or been made redundant, and who as a result of the transfer seek redress through the Employment Tribunal;	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 the TECs/CCTEs.	3,473
Potential liability relating to European Schools Programme for teachers claiming permanency under the fixed term employee regulations who may claim redress through the Employment Tribunal.	1,241
The Government agreed to match fund the cost of hosting the World Skills London 2011 event. This contingent liability represents the possibility that insufficient sponsorship revenue is obtained. £36,220k reflects the maximum possible exposure if revenue is not forthcoming.	36,220
A guarantee has been given to the Financial Reporting Council that if the amount held in the Legal Costs Fund falls below £1 million in any year, an additional grant will be made to cover legal costs subsequently incurred in that year.	Unquantifiable
Any liabilities imposed by section 68, Telecommunications Act 1984.	Unquantifiable
Any liabilities imposed by section 9, British Aerospace Act 1980.	Unquantifiable
Indemnities given to UKAEA by the Secretary of State to cover certain indemnities given by UKAEA to carriers and British Nuclear Fuels Plc against certain claims for damage caused by nuclear matter in the course of carriage;	Unquantifiable
Indemnities equivalent to those given to civil servants under the Civil Service Management Code have been given to persons appointed to the Board of the Office of Fair Trading, including the Chairman.	Unquantifiable
Indemnities given to Bankers of the Insolvency Services against certain liabilities arising in respect of non-transferable "account payee" cheques due to insolvent estates and paid into the Insolvency Service's account.	Unquantifiable

Contingent liabilities

Nature of Liability	£'000
The Police Information Technology Organisation (Home Office) provides BIS with access to data from the Police National Computer (PNC). BIS has indemnified the police against any liabilities which they might incur as a result of providing that access.	Unquantifiable
Further Incidents/Accidents Insurance claims for exposure to ionising radiation pursued outside the existing UKAEA insurance scheme.	Unquantifiable
A contingent liability in respect of risk associated with the Department assuming responsibility for uplifts in pension contributions for UKAEA's non-actives;	Unquantifiable
Outstanding claims under the Enemy Property Claim Scheme are still being considered.	Unquantifiable
There is a possibility that other liabilities exist in relation to nationalised, and former nationalised, industries that, if they crystallised, may fall to the Department.	Unquantifiable
European Patent Office (EPO): the UK as one of the contracting states has a potential liability under Article 40 of the European Patent Convention of 1973.	Unquantifiable
World Intellectual Property Organisation: the UK, as a contracting state to the Patent Co-operation Treaty of 1970, has a potential liability under Article 57 of the Treaty.	Unquantifiable
Liabilities relating to the issue of licences to operators of satellites and other space objects.	Unquantifiable
The Department has an outstanding legal claim for an early termination of a service contract delivering best practice and monitoring services to a third party.	Unquantifiable
The Cabinet Secretary has provided a Government wide indemnity to Independent Public Appointment Assessors (IPAAs). This will ensure that IPAAs will not have to meet any personal civil liability incurred in the execution of their IPAA functions. BIS carries out around 200 appointments per annum which are scrutinised by IPAAs.	Unquantifiable
On 14 January 2009, the Secretary of State announced a support package designed to leverage £21.3bn of lending - made to the Enterprise Finance Guarantee Scheme (£1.3bn), the Capital for Enterprise Fund (£75m) and the Working Capital Scheme (maximum exposure at 31 March 2010 was £1.45bn) (the latter amended in Budget 09 to reflect the requirement for a Trade Credit Insurance "Top-up" Scheme) - to help companies struggling to access finance for working capital and investment in the current economic climate. The schemes are intended to support viable businesses that have been impacted through a combination of the credit crunch and economic downturn, during which lending conditions have tightened and payment periods extended:	Up to 2,825,000
Enterprise Finance Guarantee commenced in 2009 and will continue in 2010-11. The exposure exists for the life of the loan, which can be up to 10 years. Therefore the potential exposure exists until 2021.	Up to 100,000
On 27 January 2009, the Secretary of State announced support for the automotive sector, including the loan guarantees which could enable up to £2.3bn in lending to Britain's automotive manufacturers and suppliers. Under State Aid rules, guarantees must be granted before 31 December 2010 and cannot exceed 90% of the loan.	Up to 435,000

Export Credits Guarantee Department

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To provide export finance assistance through interest support to benefit the UK economy by supporting exports			
<u>Section</u>	<u>Reason for Change</u>		
<u>Other changes</u>			
<u>Token increases</u>			
B2	Token increase to enable change in RfR description	1,000	
<u>Totals</u>		1,000	-
<u>Total RfR 1</u>		1,000	

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

Section Reason for Change

<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
A1	Cash cost of early departure not incorporated in 2010-11 Main Estimate, resulting from CLoS changes	868,000	
<u>Other changes</u>			
<u>Changes in operating appropriations in aid (not offset by changes in spending)</u>			
C5	Additional income arising from increased demand for services		-867,000
<u>Totals</u>		868,000	-867,000
<u>Total RfR 2</u>		1,000	
<u>Total change in resources for Estimate:</u>		2,000	

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

Export Credits Guarantee Department

Part I

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

SUPPLEMENTARY amounts required in the year ending 31 March 2011 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 supporting exports

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

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

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

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

† In the Main Estimate, RfR1 was titled "To provide export finance assistance through interest support to benefit the UK economy by facilitating exports".

†† In the Main Estimate, RfR2 was titled "To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports".

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: To provide export finance assistance through interest support to benefit the UK economy by supporting exports						
		1	-	1		
Non-Budget						
B	GEFCO loans and interest equalisation	1,055	1	-	1	1,056
RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by supporting exports						
		868	867	1		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Administration	24,300	868	-	868	25,168
Non-Budget						
C	Export Credits	-24,799	-	867	-867	-25,666
Total for Estimate:			869	867	2	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	500	-	500
Non-Operating A in A	-	-	-
Net cash requirement	1	2	3

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: To provide export finance assistance through interest support to benefit the UK economy by supporting exports									
-	38,881	-	38,881	25,571	13,310	-	-		
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
A	Fixed Rate Export Finance	-	23,447	-	23,447	24,501	-1,054	-	-
Non-Budget									
B	GEFCO loans and interest equalisation	-	2,126	-	2,126	1,070	1,056	-	-
C	Other Expenditure	-	13,308	-	13,308	-	13,308	-	-
RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by supporting exports									
26,753	54,385	11,688	92,826	92,824	2	500	-		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Administration	26,753	-	-	26,753	1,585	25,168	500	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
B	Administration	-	500	-	500	-	500	-	-
Non-Budget									
C	Export Credits	-	53,885	11,688	65,573	91,239	-25,666	-	-
Total for Estimate:									
26,753	93,266	11,688	131,707	118,395	13,312	500	-		

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	13,310	2	13,312
Voted capital items			
Capital	500	-	500
Less Non-operating A-in-A	-	-	-
Total net voted capital	500	-	500
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-1,297	-	-1,297
New provisions and adjustments to previous provisions	-25,496	-	-25,496
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-53,578	-	-53,578
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-55,125	-	-55,125
Increase (-) / Decrease (+) in creditors	36,239	-	36,239
Use of provisions	-	-	-
Total accruals to cash adjustments	-99,257	-	-99,257
Excess cash to be CFERd	85,448	-	85,448
Net Cash Requirement	1	2	3

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2010-11
Provision**
Net Administration Costs

RfR 1

-

RfR 2

25,168

Total Net Administration Costs
25,168
Net Programme Costs

RfR 1

13,310

RfR 2

-25,166

Non-voted

-54,534

Total Net Programme Costs
-66,390
Total Net Operating Cost
-41,222
of which:

Net Resource Requirement

13,312

Non-voted Expenditure

-

Consolidated Fund Extra Receipts

-54,534

Reduction in planned spend unable to be included in Estimate

-

Resource Budget
24,614

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	13,312
<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	-54,534
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	-41,222
<i>Adjustments to remove:</i>	
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	11,302
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	54,534
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	24,614
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	25,168
Annually Managed Expenditure (AME)	-554

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	500
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-96,223
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	-95,723
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	500
Annually Managed Expenditure (AME)	-96,223

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

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

Programme	25,571
<i>of which:</i>	
Interest and dividends	25,571
Total RfR 1	25,571†

† 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 supporting exports

Administration	1,585
<i>of which:</i>	
Sale of goods and services	1,585
Programme	91,239
<i>of which:</i>	
Sale of goods and services	65,713
Interest and dividends	25,526
Total RfR 2	92,824†

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

Total Operating A in A	118,395
-------------------------------	----------------

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

	Voted	Change Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	868	-	25,168	-	25,168
<i>of which:</i>					
Administration budget	868	-	25,168	-	25,168
Capital DEL†	-	-	500	-	500
Less Depreciation††	-	-	-750	-	-750
Total DEL	868	-	24,918	-	24,918

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

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

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

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

118,395

Home Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Working together to protect the public			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
Drawdown of DUP to reflect the latest forecast breakdown of delegated budgets :			
F1	Admin	109,000	
E2	Programme	11,000,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
C2	Increase in programme spending for counter terrorism. This is a re-allocation of resource DEL from the Cabinet Office.	5,000,000	
F2	Reduction in programme spending. This is a re-allocation of resource DEL from the Cabinet Office for improving information strategy capability.		-300,000
F1	Reduction in admin spending. This is a re-allocation of resource DEL to the Ministry of Justice for shared accommodation costs.		-12,300,000
	Reduction in programme spending. This is a re-allocation of resource DEL to the Ministry of Justice for:		
D2	Ministerial Council on Deaths in Custody;		-50,000
D2	Asylum and immigration tribunals;		-14,000,000
A2	Victims' Commissioner's office.		-400,000
D2	Reduction in programme spending. This is a re-allocation of resource DEL to Communities and Local Government to fund the Migration Impact Fund.		-4,340,000
D2	Reduction in programme spending. This is a re-allocation of resource DEL to the Scottish Government to fund the Migration Impact Fund.		-1,180,000

Introduction

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

B5	Increase in income for the Vetting and Barring Scheme (VBS). This income is treated as capital in budgets. The offsetting capital expenditure is shown in the 'Other changes in DEL spending' heading in the 'Changes in capital' section below.	-3,000,000
----	--	------------

Other changes in DEL spending

Increase in recovered asset related grants following an increase in recovered asset income. The budgetary effect of this is neutral because both income and expenditure score in DEL. In estimates, only the expenditure scores because the income is surrendered to the consolidated fund:

A3	14,000,000
H3	14,000,000

Changes in Annually Managed Expenditure (AME)

M2	Write down of costs following the scrapping of the national identity card scheme and Critical Workers ID cards.	32,070,000
M2	Setting up a provision for the costs of IPS's interview office network.	8,200,000
M2	Increasing the provision for early departure of staff.	14,045,000

Other changes

Resource transfers within the Request for Resources

C2 to F2	Programme funding for legal advice.	113,000	-113,000
C2 to D2	Programme funding for Cyclamen.	37,503,000	-37,503,000
C2 to D2	Programme funding for the transfer of the Olympic accreditation team.	165,000	-165,000
F1 to E1	Admin funding for internal auditing.	181,000	-181,000
E1 to F1	Re-allocation of Admin funding.	298,000	-298,000
E2 to D2	Programme funding for the Immigration and Asylum Biometric System (IABS).	4,673,000	-4,673,000
D1 to F1	Admin funding for migration statistics and for file storage.	875,000	-875,000
F2 to A2	Programme to fund the publication costs of Her Majesty's Inspectorate of Constabulary (HMIC).	80,000	-80,000
F2 to A2	Programme to transfer the international unit to the Crime and Policing Group.	80,000	-80,000

Introduction

F2 to A2	Programme to transfer funding for statutory instruments and other parliamentary publications to the Crime and Policing Group.	53,000	-53,000
D2 to A2	Programme for the 'No recourse to public funds' scheme.	500,000	-500,000

Transfers to/from non-voted spending

F2	Programme from the National Policing Improvement Agency for staff transferred to Legal Advisers Branch. Programme to the DUP to reflect the latest forecast breakdown of delegated budgets:	65,000	
C2			-8,000,000
D2			-18,000,000
E2			-6,900,000
F2			-5,200,000

Changes in non-budget spending

Q3	Reduction in grant in aid to the National Policing Improvement Agency following the transfer of staff to Legal Advisers Branch. The increase is shown in the 'Transfers to/from non-voted spending' section above.		-65,000
----	--	--	---------

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

C2 and C5	Increase in programme income and spending for communication data (6,576,000) and for funding the Research Information and Communications Unit (4,000,000).	10,576,000	-10,576,000
C3 and C5	Increase in programme income and spending for a technical response force and to fund the Police's Chemical, Biological, Radiological and Nuclear (CBRN) centre.	1,376,000	-1,376,000
C3 and C5	Increase in programme income and spending for providing CBRN equipment to emergency services.	1,000,000	-1,000,000
C2 and C5	Increase in programme income and spending for providing CBRN training courses run by the Police CBRN centre.	250,000	-250,000
E2 and E5	Increase in programme income and spending to reflect the latest forecast breakdown of delegated budgets.	8,000,000	-8,000,000
F1 and F5	Increase in admin income and spending to reflect the Home Office's Property Group's latest forecast.	15,000,000	-15,000,000
A2 and A5	Increase in programme income and spending for the Hillsborough Independent Panel.	874,000	-874,000
A2 and A5	Increase in programme income and spending for the Vetting and Barring Scheme.	50,799,000	-50,799,000

Introduction

A2 and A5	Increase in programme income and spending for the British crime survey.	527,000	-527,000
A3 and A5	Increase in programme income and spending for youth justice (6,000,000) and hate crime work (250,000).	6,250,000	-6,250,000
A1 and A5	Increase in admin income and spending for alcohol licensing.	66,000	-66,000

<u>Totals</u>		237,728,000	-212,974,000
----------------------	--	--------------------	---------------------

Total RfR 1			24,754,000
--------------------	--	--	-------------------

Total change in resources for Estimate:			24,754,000
--	--	--	-------------------

Changes in capital

Section Reason for Change

RfR 1: Working together to protect the public

Changes related to movements in budgets

Take up of Departmental Unallocated Provision

Drawdown of DUP to reflect the latest forecast breakdown of delegated budgets :

A7	CPG	1,000,000	
C7	OSCT	333,000	
D7	UKBA	334,000	
E7	IPS	333,000	

Other changes in DEL spending

B7	Increase for the Vetting and Barring Scheme (VBS). This capital is offset by income which is treated as resource in estimates but capital in budgets. The offsetting income is shown in the 'Changes in operating appropriations-in-aid (not offset by changes in spending)' heading in the 'Changes in resource' section above.	3,000,000	
----	--	-----------	--

Other changes

Transfers to/from non-voted spending

D7	Capital to the DUP to reflect the latest forecast breakdown of delegated budgets.		-6,000,000
----	---	--	------------

Transfers within the estimate

C7 to D7	Funding for Cyclamen.	13,200,000	-13,200,000
E7 to D7	Funding for the Immigration and Asylum Biometric System (IABS).	23,200,000	-23,200,000

Introduction

D7 to C7	Capital to OSCT to reflect the latest forecast breakdown of delegated budgets.	34,000,000	-34,000,000
	<u>Totals</u>	75,400,000	-76,400,000
<u>Total RfR 1</u>			-1,000,000
<u>Total changes in capital for Estimate:</u>			-1,000,000
2.	As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £1,000.		
3.	Symbols are explained in the Introduction to this booklet.		

Home Office

Part I

	£
Request for Resources 1: Working together to protect the public	24,754,000
Total additional net resource requirement	24,754,000
Additional net cash requirement	1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Home Office on:

RfR 1: Working together to protect the public

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

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Working together to protect the public						
		122,473	97,719	24,754		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Crime and Policing Group	166,059	72,830	58,517	14,313	180,372
B	Criminal Records Bureau	-60,147	-	3,000	-3,000	-63,147
C	Office for Security and Counter Terrorism	284,993	-27,579	13,202	-40,781	244,212
D	UK Border Agency	1,359,277	3,396	-	3,396	1,362,673
E	Identity and Passport Service	56,771	7,310	8,000	-690	56,081
F	Central services	169,171	-1,734	15,000	-16,734	152,437
<i>Support for Local Authorities</i>						
H	Crime and Policing Group grants	5,783,553	14,000	-	14,000	5,797,553
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
M	AME Charges	11,090	54,315	-	54,315	65,405
Non-Budget						
Q	Grant in aid to NDPBs	897,432	-65	-	-65	897,367
Total for Estimate:			122,473	97,719	24,754	

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
--	--------------------------	---------------------------------	---------------------	----------------------------	----------------------

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
--	----------------------	-------------------------	---------------

Total Capital Expenditure	324,232	-1,000	323,232
Non-Operating A in A	3,029	-	3,029
Net cash requirement	10,753,806	1	10,753,807

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Working together to protect the public								
372,474	3,250,760	8,588,511	12,211,745	1,592,467	10,619,278	323,232	3,029	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Crime and Policing Group							
48,982	179,537	87,470	315,989	135,617	180,372	9,800	-	
B	Criminal Records Bureau							
59,853	-	-	59,853	123,000	-63,147	3,175	-	
C	Office for Security and Counter Terrorism							
19,320	123,871	114,223	257,414	13,202	244,212	41,442	-	
D	UK Border Agency							
104,390	2,077,335	3,000	2,184,725	822,052	1,362,673	200,115	-	
E	Identity and Passport Service							
2,096	409,985	-	412,081	356,000	56,081	66,800	-	
F	Central services							
137,833	154,554	-	292,387	139,950	152,437	1,900	3,029	
G	European Solidarity Mechanism							
-	-	1	1	-	1	-	-	
<i>Support for Local Authorities</i>								
H	Crime and Policing Group grants							
-	-	5,797,553	5,797,553	-	5,797,553	-	-	
I	Office for Security and Counter Terrorism grants							
-	-	697,265	697,265	-	697,265	-	-	
J	UK Border Agency							
-	-	181,866	181,866	-	181,866	-	-	
K	Area Based Grants							
-	-	58,197	58,197	-	58,197	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
L	Police superannuation							
-	-	900	900	2,646	-1,746	-	-	
M	AME Charges							
-	65,405	-	65,405	-	65,405	-	-	
<i>Support for Local Authorities</i>								

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
N	Police Superannuation	-	-	741,000	741,000	-	741,000	-	-
Non-Budget									
O	Fine refunds to carriers	-	22	-	22	-	22	-	-
P	Loan charges	-	-	9,669	9,669	-	9,669	-	-
Q	Grant in aid to NDPBs	-	-	897,367	897,367	-	897,367	-	-
R	IFRS Adjustments	-	240,051	-	240,051	-	240,051	-	-
Total for Estimate:		372,474	3,250,760	8,588,511	12,211,745	1,592,467	10,619,278	323,232	3,029

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	10,594,524	24,754	10,619,278
Voted capital items			
Capital	324,232	-1,000	323,232
Less Non-operating A-in-A	3,029	-	3,029
Total net voted capital	321,203	-1,000	320,203
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-179,193	-25,170	-204,363
New provisions and adjustments to previous provisions	-11,090	-22,245	-33,335
Profit/loss on sale of assets	771	-	771
Prior period adjustments	-	-	-
Other non-cash items	-275	-	-275
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	4,971	-	4,971
Increase (-) / Decrease (+) in creditors	15,095	-	15,095
Use of provisions	7,800	-	7,800
Total accruals to cash adjustments	-161,921	-47,415	-209,336
Excess cash to be CFERd	-	23,662	23,662
Net Cash Requirement	10,753,806	1	10,753,807

Part III: Extra receipts payable to the Consolidated Fund

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

	£'000			
	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	130,520	<i>130,520</i>	158,520	<i>158,520</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	66,000	<i>66,000</i>	66,000	<i>66,000</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	23,662
Total	196,520	<i>196,520</i>	224,520	<i>248,182</i>

Forecast Operating Cost Statement

£'000

**2010-11
Provision**
Net Administration Costs

RfR 1

213,205

Total Net Administration Costs

213,205
Net Programme Costs

RfR 1

10,406,073

Non-voted

-158,520

Total Net Programme Costs

10,247,553
Total Net Operating Cost
10,460,758
of which:

Net Resource Requirement

10,619,278

Non-voted Expenditure

-

Consolidated Fund Extra Receipts

-158,520

Reduction in planned spend unable to be included in Estimate

-

Resource Budget

10,216,196

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	10,619,278
<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	-158,520
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	10,460,758
<i>Adjustments to remove:</i>	
Capital grants	-234,365
European Union income related to capital grants	-
Voted expenditure outside the budget	-249,742
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	3,520
Resource consumption of non departmental public bodies	-58,436
Unallocated resource provision	100,645
Other adjustments	193,816
Resource Budget (Budget)	10,216,196
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	9,419,337
Annually Managed Expenditure (AME)	796,859

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	320,203
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	96,932
Capital grants	234,365
European Union income related to capital grants	-
Supported capital expenditure (revenue)	73,300
Capital spending by levy funded bodies	-
Unallocated capital provision	5,529
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	33,893
Capital Budget (Budget)	764,222
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	764,222
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: Working together to protect the public

Administration	159,269
<i>of which:</i>	
Sale of goods and services	150,787
Other income (including receipts)	8,482
Programme	1,433,198
<i>of which:</i>	
Sale of goods and services	1,089,202
Regulatory licences, fines, penalties and taxes	330,000
Interest and dividends	1,100
Pension scheme related income	2,646
Other income (including receipts)	10,250
Total RfR 1	1,592,467†

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

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

Payment of dividends and repayment of principal and interest on the deemed and long-term loans by the Forensic Science Service, receipts from police training courses and repayment services, police examinations board, Police National Computer Organisation repayment services, loan of specialised equipment, repayment of support for Police 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	1,592,467
-------------------------------	------------------

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

£'000

2010-11

RfR 1: Working together to protect the public

Programme	3,029
<i>of which:</i>	
Sale of assets	3,029

Total RfR 1	3,029†
--------------------	---------------

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

Total Non-Operating A in A	3,029
-----------------------------------	--------------

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

	£'000	
	2010-11 Provision Income	Receipts
Regulatory feesΦ	152,000	152,000
Illegal working finesΦ	3,000	3,000
Carriers liability receipts●	2,000	2,000
Animal license fees●	1,520	1,520
Consular Premium●	66,000	66,000
Excess cash●	-	23,662
Total	224,520	248,182

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-26,496	-1,074	8,399,252	1,020,085	9,419,337
<i>of which:</i>					
Administration budget	-12,191	-109	213,205	179,305	392,510
Capital DEL†	-4,000	4,000	588,461	175,761	764,222
Less Depreciation††	6,900	-6,900	-151,029	-57,466	-208,495
Total DEL	-23,596	-3,974	8,836,684	1,138,380	9,975,064

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,595,496
--	-----------

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

RfR/Section	Body	£'000
RfR - Q	Independent Police Complaints Commission ♥	33,447
RfR - Q	Serious Organised Crime Agency ♥	432,478
RfR - Q	Office of the Immigration Service Commissioner ♥	4,200
RfR - Q	National Policing Improvement Agency ♥	414,117
RfR - Q	Independent Safeguarding Authority ♥	12,900
RfR - Q	Security Industry Authority ♥	225

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>			
A2	Drawdown of resource reserve claim in relation to the Carter Prisons Capacity programme	139,000,000	
<u>Machinery of Government changes</u>			
Following the change of Government in May 2010, responsibility for Youth Justice became the sole responsibility of the Ministry of Justice.			
<i>The following transfers from the Department for Education totalling £43,811,000 have been received:</i>			
E2	Young Offender Education programme.	18,000,000	
Q3	LASCHS programme to be implemented by the Youth Justice Board.	13,560,000	
Q3	Young Offender Education programme within the Youth Justice Board.	6,081,000	
Q3	Intensive Fostering programme to be implemented by the Youth Justice Board.	3,000,000	
Q3	Restraint Review programme to be implemented by the Youth Justice Board.	3,000,000	
E2	Review of Restraint.	170,000	
On 2 June 2010 Responsibility for Political and Constitutional reform was transferred from the Ministry of Justice to the Cabinet Office to support the Deputy Prime Minister.			
<i>The following transfers to the Cabinet Office totalling £11,794,000 have been made:</i>			
A1	Transfer of administration costs of the Constitutional and Reform directorates		-5,264,000
A2	Transfer of programme costs of the Constitution and Reform directorates		-4,578,000
A1	Accommodation costs		-772,000
A1	Cost of support from MoJ Legal team		-747,000
A1	Information Technology costs.		-303,000
A1	Finance, Communications and HR costs		-120,000
A1	Training costs (Justice Academy)		-10,000

Transfers of budgetary cover to/from other government departments

Net Transfers from the Home Office totalling £26,750,000 as follows

D2	Closing the funding gap in relation to Asylum Immigration Tribunals activity.	14,000,000
A1	Corporate Estates Costs in relation to Marsham Street	12,300,000
E2	Victims Commissioner's Office	400,000
G2	Independent Advisory Panel into Deaths in Custody	50,000

Net Transfers to the Department for Business, Innovation and Skills totalling £9,521,000 as follows

G2	Delivery of offender learning and skills in the contracted prison estate.	1,689,000
G2	Careers Information and Advice Service and OLASS provision	-7,089,000
A2	Careers Information & Advice Service and OLASS provision for Castington & Huntercombe following re roll from Juvenile to adult places	-1,401,000
G2	Careers Information and Advice Service and OLASS provision	-1,378,000
G2	Careers Information and Advice Service, OLASS provision and library services	-1,264,000
A2	Additional operating costs in respect of Libraries	-78,000

Net Transfers to the Department for Health totalling £10,513,000 as follows

G2	Additional prisoner healthcare costs	-3,346,000
G2	Additional prisoner healthcare costs	-2,591,000
G2	Costs of healthcare at expanded prisons ISIS and Brinsford	-2,498,000
A2	Additional Prisoner Healthcare costs .	-1,412,000
G2	Additional prisoner healthcare costs	-666,000

Net transfers to Crown Prosecution Service totalling £8,185,000 as follows

E2	Compass Management System	-4,300,000
E2	Witness Centres	-2,600,000
E2	London Criminal Justice Board	-590,000
G2	Corporate Manslaughter Funding	-500,000
E2	Dyfed Powys Criminal Justice Board	-195,000

Other changes in DEL spending

E2	Transfer of resource funding from Youth Justice Board	2,000,000
A2	Transfer of resource funding from Criminal Injuries Compensation Authority	637,000
A2	Transfer of resource funding from Parole Board	352,000
A2	Transfer of resource funding from Legal Services Commission administration	342,000
A2	Transfer of resource funding from Criminal Cases Review Commission	199,000
A2	Transfer of resource funding from Parole Board sponsorship unit costs	173,000
A2	Transfer of resource funding from Legal Services Commission administration.	62,000

A2	Transfer of resource funding to Criminal Cases Review Commission - additional funding		-30,000
A2	Transfer of resource funding to Parole Board sponsorship unit costs		-173,000
A2	Transfer of resource funding to Legal Services Commission administration to fund recovery of overpayments		-1,200,000
A2	Transfer of resource funding to Criminal Injuries Compensation Authority in relation to Pleural Plaques		-16,500,000
A2	Transfer of resource funding from Information Commissioners' Office	160,000	

Other changes**Resource transfers within the Request for Resources**

G2	A2	Internal transfer of Estates Capacity	335,609,000	-335,609,000
G2	A2	Internal Transfer Shared Services	52,860,000	-52,860,000
E2	E3	Transfer Grants to correct subhead	37,500,000	-37,500,000
F1	A1	Internal transfer of Estates Capacity	16,131,000	-16,131,000
F1	A1	Internal transfer of Shared Services	13,145,000	-13,145,000
F1	A1	Internal transfer of Procurement	11,609,000	-11,609,000
G2	A2	Internal transfer of Procurement	9,169,000	-9,169,000
D1	A1	Judicial Library Services for the full administration and cost of Judicial Publications for the Tribunals Service	2,697,000	-2,697,000
D2	A2	Internal transfer of Judicial Salary	2,200,000	-2,200,000
E1	A1	Internal movement	2,029,000	-2,029,000
A2	E2	Internal movement	2,029,000	-2,029,000
A2	G2	Operating Costs for additional prisoner places in respect of new house block at HMP Parc	1,600,000	-1,600,000
D2	A2	Internal movement	1,500,000	-1,500,000
A2	B2	HMCS Change Directorate team	1,454,000	-1,454,000
C2	B2	Transfer of the second phase of payroll costs for the Court of Protection.	1,027,000	-1,027,000
E2	G2	Budget to fund enhanced women's service through the Bail Accommodation and Support Services (BASS) Contract.	871,000	-871,000
A2	G2	Contractors Escort funding for Maintenance Programme	866,000	-866,000
A2	B2	Payroll and staff costs	732,000	-732,000
G2	A2	Parole Board Litigation budget	706,000	-706,000
D2	A2	Internal movement	700,000	-700,000
C2	A2	Internal movement	631,000	-631,000
A2	G2	OMNI VOIP Upgrade - Steria Margin	571,000	-571,000
G2	A2	Depreciation costs	416,000	-416,000
A1	F1	Depreciation costs	416,000	-416,000
E1	A1	Payroll costs	266,000	-266,000
G2	A2	Shared Service Centre payroll costs	227,000	-227,000
A2	D2	Transfer of Tribunals PMO and BD directorates.	220,000	-220,000
B1	E1	Transfer of policy team	200,000	-200,000
F1	E1	Payroll costs	188,000	-188,000
F1	A1	Skills for Justice.	167,000	-167,000
A2	G2	Contractors Escort funding for Capacity Programme	159,000	-159,000
A2	B2	Payroll and staff costs	100,000	-100,000
A2	B2	Internal movement	100,000	-100,000
E1	A1	Policy unit costs	96,000	-96,000
C2	A2	Costs for Public Guardian Board	93,000	-93,000
A1	B1	Gateshead Typing Service.	90,000	-90,000

A1	E1	Transfer of staff members	72,000	-72,000
B2	A2	MCOL - Government gateway - Payment engine transactions	72,000	-72,000
F1	A1	Skills for Justice.	72,000	-72,000
A2	G2	OMNI Blackberry - Move of hardware to NDC	71,000	-71,000
B2	E2	Accounting arrangements for Sentencing and Advisory Panel (SAP/GC)	70,000	-70,000
D2	A2	Delivery of the changes as described in ARIA TCE ACT Business Requirement Specification	45,000	-45,000
E1	F1	Transfer of staff costs	40,000	-40,000
B2	A2	Payroll costs	39,000	-39,000
E1	B1	Drug & Alcohol Pilot	36,000	-36,000
B2	A2	Internal movement	29,000	-29,000
F1	A1	HMPS pay review body - Recruitment and Advertising costs	22,000	-22,000
F1	A1	Prison Officer Allocations Service - staff costs	22,000	-22,000
B2	A2	Internal movement	15,000	-15,000
E2	G2	Women & Third Sector Strategy Unit	7,000	-7,000
D2	A2	PMO & BD units	4,000	-4,000
D2	A2	LAN hardware & WAN Cabinet.	3,000	-3,000
F5	A5	Procurement	-17,000	17,000
G5	A5	Procurement	-23,000	23,000
G5	A5	Shared Services	-68,000	68,000
F5	A5	Shared Services	-9,017,000	9,017,000
C2	B2	Transfer of costs and associated A in A in relation to Court of Protection.	3,788,000	-3,788,000
C5	B5	Transfer of costs and associated A in A in relation to Court of Protection.	-6,864,000	6,864,000
A2	B2	Judicial costs for retirement costs at RCJ.	26,000	-26,000

Transfers to/from non-voted spending

A2		Reclassification of expenditure		-34,000,000
----	--	---------------------------------	--	-------------

Increases in non-budget spending

R3		Increase in grant funding for Criminal Injuries Compensation Authority in relation to Pleural Plaques	16,500,000	
K3		Increase in grant funding for Legal Services Commission administration to fund recover of overpayments	1,200,000	
P3		Transfer of resource funding to Parole Board - sponsorship unit costs	173,000	
S3		Transfer of resource funding to Criminal Cases Review Commission - additional funding	30,000	

Decreases in non-budget spending

Q3		Transfer of capital funding from YJB to MOJ		-6,000,000
Q3		Reduction in grant funding for Youth Justice Board		-2,000,000
O3		Transfer of capital funding from JAC to MOJ		-800,000
R3		Reduction in grant funding for Criminal Injuries Compensation Authority		-637,000
P3		Reduction in grant funding for Parole Board		-352,000
K3		Reduction in grant funding for Legal Services Commission administration		-342,000

S3	Reduction in grant funding for Criminal Cases Review Commission		-199,000
P3	Reduction in grant funding for Parole Board - sponsorship unit costs		-173,000
K3	Reduction in grant funding for Legal Services Commission administration		-62,000
N3	Transfer of resource funding from Information Commissioners' Office		-160,000

Transfers from capital to capital grants

A3	Transfer from capital to capital grants	1,000,000	
B3	Transfer from capital to capital grants	275,000	

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

E2	E5	Victims Surcharge receipts	8,000,000	-8,000,000
A2	A5	Transfer of income and resource funding from the Information Commissioners Office	2,500,000	-2,500,000
E2	E5	Money received from GEO for victims of sexual violence.	1,000,000	-1,000,000
A2	A5	Northern Ireland Office contribution to CCRC costs	199,000	-199,000

<u>Totals</u>		732,870,000	-602,847,000
----------------------	--	--------------------	---------------------

<u>Total RfR 1</u>	130,023,000
---------------------------	--------------------

RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK GovernmentSection Reason for Change**Changes related to movements in budgets****Increases in non-budget spending**

D3	Increase in Grant Payable to Scottish Consolidated Fund	539,572,000	
----	---	-------------	--

<u>Totals</u>	539,572,000	-
----------------------	--------------------	----------

<u>Total RfR 2</u>	539,572,000
---------------------------	--------------------

<u>Total change in resources for Estimate:</u>	669,595,000
---	--------------------

Changes in capitalSection Reason for Change**RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all****Changes related to movements in budgets**

A7	Drawdown of Carter capital funding	43,000,000	
----	------------------------------------	------------	--

Other changes in DEL spending

A7	Transfer of Capital funding from Youth Justice Board to Ministry of Justice	6,000,000	
A7	Transfer of Capital funding from Judicial Appointments Commission to Ministry of Justice	800,000	

Other changes**Capital transfers within the Request for Resources**

A7	B7	Sustainable Development Project funding to support Carbon Saving Target	3,800,000	-3,800,000
A7	B7	Sustainable Development Project to support Carbon Saving Target	4,000,000	-4,000,000
B7	A7	Internal movement	16,000,000	-16,000,000
E7	A7	Internal movement	6,200,000	-6,200,000
D7	B7	Rolls Building, including Fixtures & Fittings.	530,000	-530,000
E7	A7	Internal movement	6,400,000	-6,400,000
G7	A7	Estates Capacity	373,610,000	-373,610,000
G7	A7	Shared Service Centre	66,000	-66,000
G7	A7	Procurement	250,000	-250,000

Transfers from capital grants to capital

A7	Transfer to capital grant		-1,000,000
B7	Transfer to capital grant		-275,000

Totals

460,656,000	-412,131,000
--------------------	---------------------

Total RfR 1	48,525,000
--------------------	-------------------

Total changes in capital for Estimate:	48,525,000
---	-------------------

- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £752,430,000.
- Symbols are explained in the Introduction to this booklet.

Ministry of Justice

Part I

	£
Request for Resources 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all† ††	130,023,000
Request for Resources 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	539,572,000
Total additional net resource requirement	669,595,000
Additional net cash requirement	752,430,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 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 judicial pay; administration of the Judicial Pension Scheme; administration of the Office of the Information Commissioner and the Judicial Appointments Commission; Costs of running the Office for Judicial Complaints and the Judicial Appointments and Conduct Ombudsman; costs of running the offices of the Legal Services Ombudsman and the Legal Services Complaints Commissioner; costs of operating the Legal Services Board and the associated Levy; costs associated with the implementation of the Office of Legal Complaints. Costs associated with the implementation of the Independent Parliamentary Standards Authority

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

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

Human rights workshops and surveys; promotion of information rights, conduct of MOJ's European and International business in the justice and home affairs field and the management of the UK's relationship with the Crown Dependencies. Contribution from the Treasury in respect of UK payments to the Hague Conference on Private International Law.

Part I

Judicial Exchange programmes; sponsorship of the British Institute of International and Comparative Law and bilateral training projects in China. Policy on coroner and cremation services; support to Local Authorities for additional coroner work, payments in relation to the royal inquest, applications for exhumations, cremated repatriated remains and the closing of burial grounds, other legal services; joint initiatives in the Criminal Justice System. Payments in respect of the July 2005 bombings inquest. Payments in respect of future inquests. Payments in respect of the conduct of Public Inquiries. Administration of and payments in respect of pleural plaques.

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

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

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

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

RfR 3: To support the Secretary of State in discharging her 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 funding of the Joint Youth Justice Unit was transferred from the Department for Education to the Ministry of Justice on 1 June 2010. Within the overall changes sought in this Estimate, the specific changes relating to the machinery of government transfer are:

- a) The net resource requirement for RfR1 is increased by £43,811,000
- b) The net cash requirement is increased by £43,811,000.

†† The functions of political and constitutional reform were transferred to the Cabinet Office in an announcement on 2 June 2010. Within the overall changes sought in this estimate, the specific changes relating to the machinery of government transfer are:

- a) The net resource requirement for RfR1 is reduced by £11,794,000.
- b) The net cash requirement is reduced by £11,794,000.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all						
		141,722	11,699	130,023		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Policy, Corporate Services & Associated Offices	367,352	532,404	11,824	520,580	887,932
B	HM Courts Service	715,522	7,203	6,864	339	715,861
C	Office of the Public Guardian	-2,908	-5,539	-6,864	1,325	-1,583
D	Tribunals Service	239,323	7,071	-	7,071	246,394
E	Criminal Justice Reform	168,554	21,099	9,000	12,099	180,653
F	National Offender Management Service HQ	127,407	-40,900	-9,034	-31,866	95,541
G	National Offender Management Service Operations	4,030,175	-412,435	-91	-412,344	3,617,831
Non-Budget						
K	Legal Services Commission: Administration	126,500	796	-	796	127,296
N	Information Commissioner's Office	8,150	-160	-	-160	7,990
O	Judicial Appointments Commission	7,660	-800	-	-800	6,860
P	Parole Board	11,300	-352	-	-352	10,948
Q	Youth Justice Board	430,490	17,641	-	17,641	448,131
R	Criminal Injuries Compensation Authority	222,960	15,863	-	15,863	238,823
S	Criminal Cases Review Commission	6,665	-169	-	-169	6,496

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government					
		539,572	-	539,572	
Non-Budget					
D Grant payable to the Scottish Consolidated Fund	26,609,096	539,572	-	539,572	27,148,668
Total for Estimate:		681,294	11,699	669,595	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	587,325	48,525	635,850
Non-Operating A in A	84,200	-	84,200
Net cash requirement	48,807,636	752,430	49,560,066

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all								
425,998	6,591,566	2,939,104	9,956,668	1,118,350	8,838,318	634,984	84,200	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Policy, Corporate Services & Associated Offices							
	223,410	618,728	1,000	843,138	-44,794	887,932	389,689	79,200
B	HM Courts Service							
	16,677	1,341,773	275	1,358,725	642,864	715,861	147,051	5,000
C	Office of the Public Guardian							
	-	21,353	-	21,353	22,936	-1,583	1,500	-
D	Tribunals Service							
	20,636	298,388	-	319,024	72,630	246,394	11,670	-
E	Criminal Justice Reform							
	64,437	116,224	37,500	218,161	37,508	180,653	-	-
F	National Offender Management Service HQ							
	100,838	-	-	100,838	5,297	95,541	-	-
G	National Offender Management Service Operations							
	-	3,999,740	-	3,999,740	381,909	3,617,831	85,074	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
H	Policy, Corporate Services and Associated Offices							
	-	76,360	-	76,360	-	76,360	-	-
I	Costs from Central Funds							
	-	94,000	-	94,000	-	94,000	-	-
J	HM Court Service							
	-	25,000	-	25,000	-	25,000	-	-
Non-Budget								
K	Legal Services Commission: Administration							
	-	-	127,296	127,296	-	127,296	-	-
L	Criminal Defence Service							
	-	-	1,096,886	1,096,886	-	1,096,886	-	-
M	Community Legal Service							
	-	-	951,149	951,149	-	951,149	-	-

Part II: Revised subhead detail including additional provision

£'000

		Resources						Capital	
		Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
		1	2	3	4	5	6	7	8
N	Information Commissioner's Office	-	-	7,990	7,990	-	7,990	-	-
O	Judicial Appointments Commission	-	-	6,860	6,860	-	6,860	-	-
P	Parole Board	-	-	10,948	10,948	-	10,948	-	-
Q	Youth Justice Board	-	-	448,131	448,131	-	448,131	-	-
R	Criminal Injuries Compensation Authority	-	-	238,823	238,823	-	238,823	-	-
S	Criminal Cases Review Commission	-	-	6,496	6,496	-	6,496	-	-
T	Loan charges	-	-	2,100	2,100	-	2,100	-	-
U	Office of Legal Complaints	-	-	3,600	3,600	-	3,600	-	-
V	Legal Services Board	-	-	50	50	-	50	-	-
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government									
		7,589	300	27,148,668	27,156,557	1,600	27,154,957	100	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Scotland Office	3,568	-	-	3,568	500	3,068	100	-
B	Office of the Advocate General	4,021	-	-	4,021	1,100	2,921	-	-
C	Boundary Commission for Scotland	-	300	-	300	-	300	-	-
Non-Budget									
D	Grant payable to the Scottish Consolidated Fund	-	-	27,148,668	27,148,668	-	27,148,668	-	-
RfR 3: To support the Secretary of State in discharging her role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales									
		3,574	60	13,314,503	13,318,137	-	13,318,137	766	-

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
1	2	3	4	5	6	7	8
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Wales Office						
	3,574	60	-	3,634	-	3,634	766
Non-Budget							
B	Grant payable to the Welsh Consolidated Fund						
	-	-	13,314,503	13,314,503	-	13,314,503	-
Total for Estimate:							
	437,161	6,591,926	43,402,275	50,431,362	1,119,950	49,311,412	635,850
							84,200

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	48,641,817	669,595	49,311,412
Voted capital items			
Capital	587,325	48,525	635,850
Less Non-operating A-in-A	84,200	-	84,200
Total net voted capital	503,125	48,525	551,650
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-414,979	-	-414,979
New provisions and adjustments to previous provisions	-195,360	-	-195,360
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-763	-	-763
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	310	310
Use of provisions	273,796	34,000	307,796
Total accruals to cash adjustments	-337,306	34,310	-302,996
Excess cash to be CFERd	-	-	-
Net Cash Requirement	48,807,636	752,430	49,560,066

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2010-11
Provision**
Net Administration Costs

RfR 1	406,125
RfR 2	5,989
RfR 3	3,574

Total Net Administration Costs	415,688
---------------------------------------	----------------

Net Programme Costs

RfR 1	8,432,193
RfR 2	27,148,968
RfR 3	13,314,563
Non-voted	150,118

Total Net Programme Costs	49,045,842
----------------------------------	-------------------

Total Net Operating Cost
49,461,530
of which:

Net Resource Requirement	49,311,412
Non-voted Expenditure	150,118
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-

Resource Budget
8,915,731

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

**2010-11
Provision**

Net Resource Requirement (Estimates)	49,311,412
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	150,118
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	49,461,530
<i>Adjustments to remove:</i>	
Capital grants	-1,275
European Union income related to capital grants	-
Voted expenditure outside the budget	-40,463,171
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-109,003
Unallocated resource provision	-
Other adjustments	27,650
Resource Budget (Budget)	8,915,731
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	8,933,273
Annually Managed Expenditure (AME)	-17,542

Reconciliation of capital expenditure between Estimates and Budgets

£'000

**2010-11
Provision**

Net Voted Capital (Estimates)	551,650
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	41,405
Capital grants	1,275
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	594,330
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	594,330
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1:	Sir Suma Chakrabarti, Permanent Head of Department
Request for Resources 2:	David Middleton, Head of Scotland Office
Request for Resources 3:	Fiona Adams-Jones, Head of Wales Office

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

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

Administration	19,873
<i>of which:</i>	
Sale of goods and services	19,873
Programme	1,098,477
<i>of which:</i>	
Sale of goods and services	1,098,477
Total RfR 1	1,118,350†

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

Recoveries from the National Insurance Fund for the cost of Social Security Commissioners, income from National Insurance Fund in relation to the Tribunals Appeals Service. Fees relating to the Office of the Information Commissioner and receipts in relation to data protection enquiries. Fees from nursery facilities and other fees; receipts from rents and receipts of premia on assignment of leases; service charges and site usage; recovery for magistrates' courts accommodation. Contributions paid by legally aided defendants in the higher courts. Receipts in relation to legal aid contributions received from assisted clients, receipts in relation to costs and damages received, including recoveries via the statutory charge, by the legal fund in relation to assisted clients.

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

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

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

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

Share of gross profits from prison shops and from services purchased by staff etc from the activities of prison industries and farms from the supply of inmate labour and from other goods and services. Receipts in relation to Probation Boards and Trusts income. Receipts from agricultural subsidies, from advertisements in the Prison Service News and from the sale of waste, receipts from the Youth Justice Board and income arising from Machinery of 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 RfR 2	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.

Total Operating A in A	1,119,950
-------------------------------	------------------

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

£'000

2010-11

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

Programme	84,200
<i>of which:</i>	
Sale of assets	84,200

Total RfR 1	84,200†
--------------------	----------------

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

Total Non-Operating A in A	84,200
-----------------------------------	---------------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	95,929	-28,581	5,751,277	3,181,996	8,933,273
<i>of which:</i>					
Administration budget	5,084	-	415,688	542	416,230
Capital DEL†	49,800	-6,800	552,925	41,405	594,330
Less Depreciation††	-	-	-414,979	-12,918	-427,897
Total DEL	145,729	-35,381	5,889,223	3,210,483	9,099,706

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,204,150
--	-----------

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
Section K	Legal Service Commission: Administration♥	127,296
Section L	Criminal Defence Service♥	1,096,886
Section M	Community Legal Service♥	951,149
Section N	Information Commissioners' Office♥	7,990
Section O	Judicial Appointments Commission♥	6,860
Section P	Parole Board♥	10,948
Section Q	Youth Justice Board♥	448,131
Section R	Criminal Injuries Compensation Authority♥	238,823
Section S	Criminal Cases Review Commission♥	6,496
Section T	Loan Charges♥	2,100
Section U	Office of Legal Complaints♥	3,600
Section V	Legal Services Board♥	50

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
An Indemnity of up to £50m, in respect of any one accident, has been given to the British Airports Authority (BAA). This is in respect of damage or injury caused to third parties arising out of the negligence of HM prison Service in their use of vehicles travelling airside for the repatriation of prisoners. The likelihood of a liability arising from these contingencies is considered to be remote.	50,000
The Ministry of Justice has indemnified the members of the central Council of Magistrates' Courts Committees to the tune of £0.56m against future legal action against them as individuals. Potential future exposure is actually expected to be limited to £0.03m (Minute laid on 27th June 2006)	560
HMCS legal claims: HMCS is involved in a number of legal cases largely relating to ex-gratia and compensation claims. The estimated cost of settlement for HMCS is £7.6m.	7,600
HMCS property transfer: As a result of the July 2005 High Court challenge meant that HMCS has not been able to gain control of a number of properties intended to come within the 31 March 2005 Property Transfer Scheme. HMCS faces a contingent accommodation liability for the properties that it is yet to gain control of. If HMCS is not able to effect a transfer of ownership and control of these properties, it faces potential accommodation obligations to the parties who ultimately own the property rights and will control the underlying economic benefits. Based on the value of the properties at 31 March 2007, it is estimated that HMCS could be exposed to additional costs of up to £0.3m per annum with a total maximum contingent liability of £1.6m.	1,600
NOMS legal claims: Claims for injury to staff, prisoners and the public amounting to £19.8m have been lodged, where the likelihood of a liability arising is possible but not likely. Where staff have transferred location under the public expense transfer scheme, requiring a house sale, the agency is liable for the difference between the market value and actual sale price. This is currently a contingent liability as it is not quantifiable.	Unquantifiable
The Prisons service would be liable to meet any uninsured costs incurred by the privately managed prisons	Unquantifiable
The National Probation Service has reported the Provision of Indemnity to members of the forty two local area Probation Boards to maintain the same status of indemnity that was provided by local authorities. The government has agreed that an individual board member should be indemnified against legal damages and costs arising from advice given, or actions done, honestly and in good faith in the execution of his or her board functions, except where the member has acted recklessly. (Minute of 6th June 2005)	Unquantifiable
Mubarek Inquiry team Indemnity in relation to any legal action taken against the chairman or members of the Independent Inquiry into the death of Zahid Mubarek at the Feltham Young Offenders Institution. (Minute 10th March 2006)	Unquantifiable

Contingent liabilities

Nature of Liability	£'000
<p>The Ministry of Justice will indemnify Acting Returning Officers in respect of the 2010 General Election for any costs which fall outside of the scope of the insurance cover which they have arranged locally and where all other forms of recourse have been exhausted. It will be largely confined to covering "Acts of God" and unforeseen circumstances which are not included under the insurance policies which the Acting Returning Officers have in place.</p> <p>This indemnity will be limited to the extent that : a) it will not cover costs which arise in whole or part from any deliberate or wilful negligence by an Acting Returning Officer; b) it will not generally cover any excess costs which the Acting returning officer has negotiated on his/her insurance policy (although individual claims for excess costs will be judged on their merit); and c) it will not cover situations where the Acting Returning Officer's insurance policy offers an alternative means of cover. The indemnity will remain in place until 3rd July 2011, being 13 months after the latest possible date for the 2010 general election to have been called. The indemnity covers all claims made within that period, regardless of when they are finally settled.</p>	Unquantifiable
<p>Fee Paid Judicial Office Holders' Pension Rights: The MoJ is involved in a number of Employment Tribunal cases relating to fee paid judicial office holders claiming retrospective pension rights. There are currently 12 separate claims. The lead case was heard in the Supreme Court in June 2010 and a decision is expected in October 2010. It is possible that the Supreme Court will refer the case to the European Court.</p> <p>The following two further actions are stayed behind this case:</p> <ul style="list-style-type: none"> • Scottish Fee Paid Employment Tribunals Service Chairmen: Scottish fee paid Employment Tribunals Service chairmen are also claiming pension rights, increases in daily fees and general parity in terms and conditions. • Part Time Worker Regulations: A claim has been brought under the Part Time Worker Regulations challenging the level of payment for training and writing up fees, the lack of entitlement to holiday and sick pay and cancellation fees where bookings are not honoured. 	Unquantifiable
<p>Pay Deals – Equal Pay and Age Discrimination: The MoJ is involved in five test tribunal cases relating to claims regarding age discrimination. The MoJ has also responded to a class action grievance on grounds of equal pay.</p>	Unquantifiable
<p>Mirror Group Newspaper v UK: There is currently a case against the UK by Mirror Group Newspaper (MGN) which is likely to proceed to the European Court of Human Rights (ECtHR). MGN is challenging UK law on privacy and proportionality of costs for breach of privacy and is seeking compensation for the costs it has incurred under existing legislation.</p>	Unquantifiable
<p>Headquarters legal claims: There are around 70 outstanding legal claims against core MoJ, some of which involve possible financial liabilities.</p>	Unquantifiable

United Kingdom Supreme Court

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

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

Section Reason for Change

Changes related to movements in budgets

<u>Changes in Annually Managed Expenditure (AME)</u>			
B2	Provision for the diminution in value of the Supreme Court building	1,000,000	
	<u>Totals</u>	1,000,000	-
<u>Total RfR 1</u>			1,000,000
<u>Total change in resources for Estimate:</u>			1,000,000

2. As a result of the above there is no increase in the net cash requirement.
3. Symbols are explained in the Introduction to this booklet.

United Kingdom Supreme Court

Part I

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

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the United Kingdom Supreme Court on:

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

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

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.					
		1,000	-	1,000	
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
B United Kingdom Supreme Court	-	1,000	-	1,000	1,000
Total for Estimate:		1,000	-	1,000	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	100	-	100
Non-Operating A in A	-	-	-
Net cash requirement	2,594	-	2,594

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A
1	2	3	4	5	6		7	8
RfR 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.								
-	10,943	-	10,943	6,520	4,423		100	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	United Kingdom Supreme Court							
-	9,943	-	9,943	6,520	3,423		100	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B	United Kingdom Supreme Court							
-	1,000	-	1,000	-	1,000		-	-
Total for Estimate:								
-	10,943	-	10,943	6,520	4,423		100	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	3,423	1,000	4,423
Voted capital items			
Capital	100	-	100
Less Non-operating A-in-A	-	-	-
Total net voted capital	100	-	100
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-1,040	-1,000	-2,040
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-60	-	-60
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	171	-	171
Use of provisions	-	-	-
Total accruals to cash adjustments	-929	-1,000	-1,929
Excess cash to be CFERd	-	-	-
Net Cash Requirement	2,594	-	2,594

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

2010-11
Provision

Net Programme Costs

RfR 1

4,423

Non-voted

2,882

Total Net Programme Costs

7,305

Total Net Operating Cost

7,305

of which:

Net Resource Requirement

4,423

Non-voted Expenditure

2,882

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget

7,305

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	4,423
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	2,882
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	7,305
<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)	7,305
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,305
Annually Managed Expenditure (AME)	1,000

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	100
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	100
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	100
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

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

Programme	6,520
<i>of which:</i>	
Sale of goods and services	6,520
Total RfR 1	6,520†

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

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

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

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

Total Operating A in A	6,520
-------------------------------	--------------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-	-	3,423	2,882	6,305
<i>of which:</i>					
Administration budget	-	-	-	-	-
Capital DEL†	-	-	100	-	100
Less Depreciation††	-	-	-1,040	-	-1,040
Total DEL	-	-	2,483	2,882	5,365

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	6,520
--	-------

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>Machinery of Government changes</u>			
A1, A2	Reduction in admin and other current resources, near-cash and non-cash spending to implement the transfer of funding from the Northern Ireland Courts Service to the Northern Ireland Executive following the Devolution of Policing and Justice on 12th April 2010.		-76,034,000
A5	Reduction in operating appropriations in aid, to implement the transfer of funding from the Northern Ireland Courts Service to the Northern Ireland Executive following the Devolution of Policing and Justice on 12th April 2010.	25,100,000	
B2	Reduction in NICTS AME, to implement the transfer of funding from the Northern Ireland Courts Service to the Northern Ireland Executive following the Devolution of Policing and Justice on 12th April 2010.		-300,000
C3	Reduction in grants resources, near-cash and non cash spending in The Northern Ireland Legal Services Commission, to implement the transfer of funding from the Northern Ireland Courts Service to the Northern Ireland Executive following the Devolution of Policing and Justice on 12th April 2010.		-84,232,000
D3	Reduction in grants resources, near-cash and non cash spending in The Northern Ireland Judicial Appointments Commission, to implement the transfer of funding from the Northern Ireland Courts Service to the Northern Ireland Executive following the Devolution of Policing and Justice on 12th April 2010.		-1,620,000
	<u>Totals</u>	25,100,000	-162,186,000
Total RfR 1			-137,086,000
Total change in resources for Estimate:			-137,086,000

Introduction

Changes in capital

Section Reason for Change

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

Changes related to movements in budgets

Machinery of Government changes

A7	Reduction in Capital DEL, to implement the transfer of funding from the Northern Ireland Courts Service to the Northern Ireland Executive following the Devolution of Policing and Justice on 12th April 2010.	-8,800,000
----	--	------------

Totals

- **-8,800,000**

Total RfR 1

-8,800,000

Total changes in capital for Estimate:

-8,800,000

2. As a result of the above and associated non- cash adjustments, there is an decrease in the net cash requirement of £134,023,000.
3. Symbols are explained in the Introduction to this booklet.

Northern Ireland Court Service

Part I

	£
Request for Resources 1: Supporting the effective and efficient administration of justice in Northern Ireland †	-137,086,000
Total additional net resource requirement	-137,086,000
Additional net cash requirement	-134,023,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Northern Ireland Court Service on:

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

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

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

† From 12 April 2010, the Policing and Justice functions were transferred from Northern Ireland Court Service to Northern Ireland Executive following stage 2 devolution in Northern Ireland. The specific changes relating to this machinery of government change are:

- a) the net resource requirement in RfR1 is decreased by £137,086,000
- b) the operating appropriations in aid in RfR1 are decreased by £25,100,000
- c) the net cash requirement is decreased by £134,023,000

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: Supporting the effective and efficient administration of justice in Northern Ireland					
		-162,186	-25,100	-137,086	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Court and other legal services	50,934	-76,034	-25,100	-50,934	-
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
B Court and Other Legal Services	300	-300	-	-300	-
Non-Budget					
C Legal Services Commission	84,232	-84,232	-	-84,232	-
D Judicial Appointments Commission	1,620	-1,620	-	-1,620	-
Total for Estimate:		-162,186	-25,100	-137,086	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	8,800	-8,800	-
Non-Operating A in A	-	-	-
Net cash requirement	134,023	-134,023	-

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland									
	-	-	-	-	-	-	-	-	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Court and other legal services								
	-	-	-	-	-	-	-	-	
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
B	Court and Other Legal Services								
	-	-	-	-	-	-	-	-	
Non-Budget									
C	Legal Services Commission								
	-	-	-	-	-	-	-	-	
D	Judicial Appointments Commission								
	-	-	-	-	-	-	-	-	
Total for Estimate:									
	-	-	-	-	-	-	-	-	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	137,086	-137,086	-
Voted capital items			
Capital	8,800	-8,800	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	8,800	-8,800	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-11,503	11,503	-
New provisions and adjustments to previous provisions	-300	300	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-60	60	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-11,863	11,863	-
Excess cash to be CFERd	-	-	-
Net Cash Requirement	134,023	-134,023	-

Part III: Extra receipts payable to the Consolidated Fund

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

£'000

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

Forecast Operating Cost Statement

£'000

**2010-11
Provision**

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

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

**2010-11
Provision**

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

Reconciliation of capital expenditure between Estimates and Budgets

£'000

**2010-11
Provision**

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: David A Lavery, Director of the NICtS

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

In discharging these responsibilities particular regard is given to:

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

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

† Responsibility for RfR1 is transferred to the Northern Ireland Executive (NIE) and will be accounted for by the NIE Accounting Officer.

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

£'000
2010-11

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

-

Total RfR 1

-

Total Operating A in A

-

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-50,934	-93,636	-	-	-
<i>of which:</i>					
Administration budget	-204	-	-	-	-
Capital DEL†	-8,800	-	-	-	-
Less Depreciation††	11,503	305	-	-	-
Total DEL	-48,231	-93,331	-	-	-

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

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

Cash which may be retained to offset expenditure

£'000

Revised

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

-

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

RfR/Section	Body	£'000
RfR 1 C	Northern Ireland Legal Services Commission ♥	-
RfR 1 D	Northern Ireland Judicial Appointments Commission ♥	-

Crown Prosecution Service

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
B2	Transfer in programme spending from the Ministry of Justice of £8,185,000 consisting of:		
	(i) to help fund the Compass Case Management System (CMS)	4,300,000	
	(ii) from the Victim Surcharge collections	2,600,000	
	(iii) to provide support for the Local Criminal Justice Boards	785,000	
	(iv) to help fund the prosecution of the Corporate Manslaughter Act 2007	500,000	
	<u>Totals</u>	8,185,000	-
Total RfR 1			8,185,000
Total change in resources for Estimate:			8,185,000

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £8,185,000.
3. Symbols are explained in the Introduction to this booklet.

Crown Prosecution Service

Part I

	£
Request for Resources 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.	8,185,000
Total additional net resource requirement	8,185,000
Additional net cash requirement	8,185,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Crown Prosecution Service on:

RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.

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

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.					
		8,185	-	8,185	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
B Crown Prosecutions and Legal Services	549,013	8,185	-	8,185	557,198
Total for Estimate:		8,185	-	8,185	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	5,100	-	5,100
Non-Operating A in A	-	-	-
Net cash requirement	631,200	8,185	639,385

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.								
54,903	649,347	-	704,250	68,400	635,850	5,100	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Administration costs on HQ and Central Services							
54,903	-	-	54,903	6,900	48,003	-	-	
B	Crown Prosecutions and Legal Services							
-	618,698	-	618,698	61,500	557,198	5,100	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
C	CPS AME							
-	2,635	-	2,635	-	2,635	-	-	
Non-Budget								
D	IFRS Contract Changes							
-	28,014	-	28,014	-	28,014	-	-	
Total for Estimate:								
54,903	649,347	-	704,250	68,400	635,850	5,100	-	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	627,665	8,185	635,850
Voted capital items			
Capital	5,100	-	5,100
Less Non-operating A-in-A	-	-	-
Total net voted capital	5,100	-	5,100
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-13,028	-	-13,028
New provisions and adjustments to previous provisions	-2,635	-	-2,635
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-95	-	-95
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	12,520	-	12,520
Use of provisions	1,673	-	1,673
Total accruals to cash adjustments	-1,565	-	-1,565
Excess cash to be CFERd	-	-	-
Net Cash Requirement	631,200	8,185	639,385

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2010-11 Provision
Net Administration Costs	
RfR 1	48,003
Total Net Administration Costs	48,003
Net Programme Costs	
RfR 1	587,847
Total Net Programme Costs	587,847
Total Net Operating Cost	635,850
<i>of which:</i>	
Net Resource Requirement	635,850
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	642,345

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	635,850
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	635,850
<i>Adjustments to remove:</i>	
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-28,014
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	4,658
Other adjustments	29,851
Resource Budget (Budget)	642,345
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	641,383
Annually Managed Expenditure (AME)	962

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	5,100
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	5,100
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	5,100
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Keir Starmer QC, Permanent Head of Department

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

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.

Administration	6,900
<i>of which:</i>	
Sale of goods and services	6,900
Programme	61,500
<i>of which:</i>	
Sale of goods and services	61,500

Total RfR 1	68,400†
--------------------	----------------

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income in respect of letting, disposal, vacation or occupation of property or accommodation; shared services; recoveries in respect of the Recovered Assets Incentivisation Fund; receipts in respect of Victim Surcharge collections; receipts from the European Commission; receipts from the United Nations; 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	68,400
-------------------------------	---------------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	8,185	-	605,201	36,182	641,383
<i>of which:</i>					
Administration budget	-	-	48,003	-	48,003
Capital DEL†	-	-	5,100	-	5,100
Less Depreciation††	-	-	-5,056	-	-5,056
Total DEL	8,185	-	605,245	36,182	641,427

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	68,400
--	--------

Notes to the Estimate (*continued*)

Changes in Accounting Policies

Following the merger with the Revenue and Customs Prosecution Office we have increased the Crown Prosecution Service capitalisation threshold from £500 to £2000. The effects of this are immaterial in terms of total expenditure and no change to resource or capital provision is sought. The change is made to reduce the amount of administration involved in the management of capital expenditure and bring the CPS more into line with other government departments.

Serious Fraud Office

Introduction

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

Amount (£)	
<u>Increases</u>	<u>Reductions</u>

Changes in resources

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

<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
A2	<u>DEL Reserve claims</u> Drawdown for costs of investigation and prosecution for Oil for Food blockbuster case	2,792,000	
	<u>Totals</u>	2,792,000	-
<u>Total RfR 1</u>			2,792,000
<u>Total change in resources for Estimate:</u>			2,792,000

2. As a result of the above adjustments, there is an increase in the net cash requirement of £2,792,000.
3. Symbols are explained in the Introduction to this booklet.

Serious Fraud Office

Part I

	£
Request for Resources 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	2,792,000
Total additional net resource requirement	2,792,000
Additional net cash requirement	2,792,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Serious Fraud Office on:

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

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

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law					
		2,792	-	2,792	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Investigations and prosecutions	34,139	2,792	-	2,792	36,931
Total for Estimate:		2,792	-	2,792	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	3,130	-	3,130
Non-Operating A in A	-	-	-
Net cash requirement	38,689	2,792	41,481

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
1	2	3	4	5	6	7	8
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law							
-	46,881	-	46,881	5,950	40,931	3,130	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Investigations and prosecutions						
-	40,981	-	40,981	4,050	36,931	3,100	-
B	National Fraud Authority						
-	5,900	-	5,900	1,900	4,000	30	-
Total for Estimate:							
-	46,881	-	46,881	5,950	40,931	3,130	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	38,139	2,792	40,931
Voted capital items			
Capital	3,130	-	3,130
Less Non-operating A-in-A	-	-	-
Total net voted capital	3,130	-	3,130
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-2,515	-	-2,515
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-65	-	-65
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-2,580	-	-2,580
Excess cash to be CFERd	-	-	-
Net Cash Requirement	38,689	2,792	41,481

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2010-11
Provision**

Net Programme Costs

RfR 1

40,931

Total Net Programme Costs

40,931**Total Net Operating Cost**

40,931

of which:

Net Resource Requirement

40,931

Non-voted Expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget40,931

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	40,931
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	40,931
<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)	40,931
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	40,931
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	3,130
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	3,130
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,130
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Richard Alderman, Director of the Serious Fraud Office

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

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

Programme	5,950
<i>of which:</i>	
Sale of goods and services	5,950

Total RfR 1	5,950†
--------------------	---------------

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income awarded to the SFO in court; and the Recovered Assets Incentivisation Fund; the National Fraud Reporting Centre; and receipts for services provided by the SFO.

Total Operating A in A	5,950
-------------------------------	--------------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change			New DEL		
	Voted	Non-voted	Voted	Non-voted	Total	
Resource DEL	2,792	-	40,931	-	40,931	
<i>of which:</i>						
Administration budget	-	-	-	-	-	
Capital DEL†	-	-	3,130	-	3,130	
Less Depreciation††	-	-	-2,515	-	-2,515	
Total DEL	2,792	-	41,546	-	41,546	

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	5,950
--	-------

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>		
<u>Changes related to movements in budgets</u>			
<u>DEL Reserve claims</u>			
F2	1. An increase in Resource DEL to bring it into line with the audited outturn for 2009-10, updating the provisional adjustment made at Main Estimates (Sub Head: DE &S TLB)	88,000,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
R2	1. Defence Estates impairments resulting from the application of Modified Historical Cost Accounting and impairments arising from the Quinquennial Review and building assets of £ 400M; and to reflect the latest additional estimated forecast of the impact of FRS26 (Financial Instruments) on the forward foreign exchange purchase contract derivative impairments of £ 200M.	600,000,000	
<u>Other changes</u>			
<u>Increases in non-budget spending</u>			
Increased Grant-in-Aid for:			
B2:W2	The Reserve Forces and cadets association	28,000	-28,000
B2:W2	The National Army Museum	600,000	-600,000
B2:W2	The Royal Hospital Chelsea	871,000	-871,000
A2:U3	Marine Society and Sea Scouts	315,000	-315,000
Decreased Grants-in-Aid for:			
A2:U3	National Museum of the Royal Navy	525,000	-525,000
<u>Totals</u>		689,499,000	-1,499,000
Total RfR 1		688,000,000	

Introduction

RfR 2: Operations and Peace-Keeping

Section Reason for Change

Changes related to movements in budgets

Transfers of budgetary cover to/from other government departments

A2	1. To reflect a resource budgetary transfer in from the Department for International Development (DfID) being their contribution to the Global Pool (Sub Head: Programme Rest of the World)	16,033,000	
	<u>Totals</u>	16,033,000	-
<u>Total RfR 2</u>			16,033,000

<u>Total change in resources for Estimate:</u>			704,033,000
---	--	--	--------------------

- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £104,033,000.
- Symbols are explained in the Introduction to this booklet.

Ministry of Defence

Part I

	£
Request for Resources 1: Provision of defence capability	688,000,000
Request for Resources 2: Operations and Peace-Keeping	16,033,000
Total additional net resource requirement	704,033,000
Additional net cash requirement	104,033,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Ministry of Defence on:

RfR 1: Provision of defence capability

Personnel costs of the Armed Forces and their reserves and cadet forces and personnel costs of Defence Ministers and of civilian staff employed by the Ministry of Defence; movements; charter of ships; logistic services for the Armed Forces; repair, maintenance, stores and supply services; associated capital facilities and works; contractors' redundancy cost; plant and machinery; nuclear warhead and fissile material programme; procurement, including development and production of equipment and weapon systems for the Armed Forces; purchases for sale abroad; research etc by contract; sundry procurement services including those on repayment terms;

land and buildings works services; contingent liabilities; services provided by other Government departments; sundry services, subscriptions, grants and other payments including those abroad such as assistance to Foreign and Commonwealth Governments for defence related purposes and UK youth community projects; set-up costs and loans to, and income from, Trading Funds; and other associated non-cash items.

RfR 2: Operations and Peace-Keeping

The net additional costs for current operations (Resource and Capital) in Iraq and Afghanistan. The net additional (programme) costs for early warning, crisis management, conflict resolution/peace-making, peace-keeping and peace-building activities in other parts of the World. The net additional costs of associated strengthening of international regional systems; capacity-building; and stabilisation activity in Iraq and Afghanistan.

RfR 3: War Pensions and Allowances, etc

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

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Provision of defence capability		688,000	-	688,000	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Navy Command	2,220,152	210	-	210	2,220,362
B Land Forces	7,140,900	-1,499	-	-1,499	7,139,401
F Defence Equipment and Support	13,789,703	88,000	-	88,000	13,877,703
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
R Defence Estates AME	972,001	600,000	-	600,000	1,572,001
Non-Budget					
U Navy Command	12,328	-210	-	-210	12,118
W Land Forces	82,877	1,499	-	1,499	84,376
RfR 2: Operations and Peace-Keeping		16,033	-	16,033	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Peace Keeping Rest of the World	45,000	16,033	-	16,033	61,033
Total for Estimate:		704,033	-	704,033	

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
--	--------------------------	---------------------------------	---------------------	----------------------------	----------------------

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	10,437,760	-	10,437,760
Non-Operating A in A	297,126	-	297,126
Net cash requirement	38,850,739	104,033	38,954,772

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
RfR 1: Provision of defence capability									
	2,182,586	33,385,040	320,272	35,887,898	1,313,762	34,574,136	8,904,455	297,126	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Navy Command	-	2,264,784	1,924	2,266,708	46,346	2,220,362	27,085	-
B	Land Forces	-	7,254,051	4,359	7,258,410	119,009	7,139,401	428,250	-
C	Chief of Joint Operations	-	483,474	-	483,474	27,663	455,811	68,933	-
D	Central	-	1,684,872	131,870	1,816,742	280,406	1,536,336	-9,407	-
E	Defence Estates	-	2,068,320	-	2,068,320	411,310	1,657,010	477,972	214,786
F	Defence Equipment and Support	-	14,107,804	1,104	14,108,908	231,205	13,877,703	7,755,358	71,214
G	Science Innovation Technology	-	424,539	4,417	428,956	-	428,956	-	-
H	Loans and Grants to and Repayments from the Hydrographic Office	-	-	-	-	-	-	-	538
I	Loans and Grants to and Repayments from ABRO	-	-	-	-	-	-	-	1,664
J	Loans and Grants to and Repayments from DSTL	-	-	-	-	-	-	-	3,220
K	Loans and Grants to and Repayments from Met Office	-	-	-	-	-	-	4,000	5,704
L	Air Command	-	3,007,235	3,256	3,010,491	197,818	2,812,673	81,838	-
M	Ministry of Defence Administration Costs	2,182,586	-	-	2,182,586	-	2,182,586	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
N	Navy Command	-	2,008	-	2,008	-	2,008	-	-
O	Chief of Joint Operations	-	12,634	-	12,634	-	12,634	-	-

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
P	Central	-	127,184	-	127,184	-	127,184	-	-
Q	Defence Equipment and Support	-	123,189	-	123,189	-	123,189	68,156	-
R	Defence Estates AME	-	1,572,001	-	1,572,001	-	1,572,001	-	-
S	Air Command AME	-	3,450	-	3,450	-	3,450	-	-
T	Land Forces	-	2,112	-	2,112	-	2,112	-	-
Non-Budget									
U	Navy Command	-	-	12,118	12,118	-	12,118	-	-
V	Central	-	-	45,344	45,344	-	45,344	-	-
W	Land Forces	-	-	84,376	84,376	-	84,376	-	-
X	Defence Equipment and Support	-	157,000	-	157,000	5	156,995	-	-
Y	Defence Estates	-	90,383	22,941	113,324	-	113,324	2,270	-
Z	Air Command	-	-	8,563	8,563	-	8,563	-	-
RfR 2: Operations and Peace-Keeping		-	3,169,068	-	3,169,068	22,356	3,146,712	1,533,305	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Peace Keeping Rest of the World	-	61,033	-	61,033	-	61,033	-	-
B	Peace Keeping Rest Of The World	-	3,105,035	-	3,105,035	22,356	3,082,679	1,533,305	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
C	Programme Rest of the World	-	3,000	-	3,000	-	3,000	-	-

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
1	2	3	4	5	6	7	8
RfR 3: War Pensions and Allowances, etc							
-	-	972,691	972,691	-	972,691	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
A	War Pensions Benefits Programme costs	-	972,441	972,441	-	972,441	-
B	War Pensions Benefits Programme costs - Far Eastern Prisoners of War	-	250	250	-	250	-
Total for Estimate:							
2,182,586	36,554,108	1,292,963	40,029,657	1,336,118	38,693,539	10,437,760	297,126

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	37,989,506	704,033	38,693,539
Voted capital items			
Capital	10,437,760	-	10,437,760
Less Non-operating A-in-A	297,126	-	297,126
Total net voted capital	10,140,634	-	10,140,634
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-10,056,533	-600,000	-10,656,533
New provisions and adjustments to previous provisions	-231,304	-	-231,304
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-13	-	-13
Increase (+) / Decrease (-) in stock	485,663	-	485,663
Increase (+) / Decrease (-) in debtors	365,252	-	365,252
Increase (-) / Decrease (+) in creditors	-104,601	-	-104,601
Use of provisions	262,135	-	262,135
Total accruals to cash adjustments	-9,279,401	-600,000	-9,879,401
Excess cash to be CFERd	-	-	-
Net Cash Requirement	38,850,739	104,033	38,954,772

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

2010-11
Provision

Net Administration Costs

RfR 1	2,182,586
RfR 2	-
RfR 3	-

Total Net Administration Costs	2,182,586
---------------------------------------	------------------

Net Programme Costs

RfR 1	32,391,550
RfR 2	3,146,712
RfR 3	972,691

Total Net Programme Costs	36,510,953
----------------------------------	-------------------

Total Net Operating Cost

38,693,539

of which:

Net Resource Requirement	38,693,539
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-

Resource Budget

38,612,466

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

**2010-11
Provision**

Net Resource Requirement (Estimates)	38,693,539
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	38,693,539
<i>Adjustments to remove:</i>	
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-249,956
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-33,117
Unallocated resource provision	-
Other adjustments	202,000
Resource Budget (Budget)	38,612,466
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	36,058,010
Annually Managed Expenditure (AME)	2,554,456

Reconciliation of capital expenditure between Estimates and Budgets

£'000

**2010-11
Provision**

Net Voted Capital (Estimates)	10,140,634
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	851
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-2,270
Capital Budget (Budget)	10,139,215
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	10,071,059
Annually Managed Expenditure (AME)	68,156

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1:	Ursula Brennan, Permanent Head of Department
Request for Resources 2:	Ursula Brennan, Permanent Head of Department
Request for Resources 3:	Ursula Brennan, Permanent Head of Department

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: Provision of defence capability

Programme	1,313,762
<i>of which:</i>	
Sale of goods and services	1,283,375
EU Income	5
Interest and dividends	30,382

Total RfR 1	1,313,762†
--------------------	-------------------

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

RfR 2: Operations and Peace-Keeping

Programme	22,356
<i>of which:</i>	
Sale of goods and services	22,356

Total RfR 2	22,356†
--------------------	----------------

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sale of medical goods and food.

Total Operating A in A	1,336,118
-------------------------------	------------------

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

£'000

2010-11

RfR 1: Provision of defence capability

Programme	297,126
<i>of which:</i>	
Sale of assets	286,000
Loan, etc, repayments	11,126

Total RfR 1	297,126†
--------------------	-----------------

† 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	297,126
-----------------------------------	----------------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	102,744	-	35,454,550	603,460	36,058,010
<i>of which:</i>					
Administration budget	-	-	2,182,586	-	2,182,586
Capital DEL †	-	-	10,070,208	851	10,071,059
Less Depreciation ††	-	-	-8,797,259	-9,556	-8,806,815
Total DEL	102,744	-	36,727,499	594,755	37,322,254

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,633,244
--	-----------

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR1 - C	Navy and Maritime museums ♥	2,801
RfR1 - U	Marine Society & Sea Cadets	9,305
RfR1 - V	Commonwealth War Graves Commission ♦	40,578
RfR1 - W	National Army Museum ♥	6,072
RfR1 - W	Royal Hospital, Chelsea ♥	10,838
RfR1 - W	Council of Reserve Forces Association	59,133
RfR1 - Z	Royal Air Force Museum ♥	7,552

Foreign and Commonwealth Office

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

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

Section Reason for Change

Changes related to movements in budgets

	<u>Take up of DEL end-year flexibility</u>	
A1	Take up of £15,000,000 Administration EYF in respect of modernisation of the FCO	15,000,000
	<u>DEL Reserve claims</u>	
A1	A claim on the Reserve of £15,000,000 Administration costs in respect of Corporate Services modernisation	15,000,000
	<u>Take up of Departmental Unallocated Provision</u>	
A1	Take up of £17,000,000 administration costs Departmental Unallocated Provision in respect of exchange rate pressures	17,000,000
	<u>Transfers of budgetary cover to/from other government departments</u>	
A1	Transfer of £1,850,000 administration from the Department for Education in respect of the Papal visit	1,850,000
A1	Transfer of £1,850,000 administration from the Department for International Development in respect of the Papal visit	1,850,000
A1	Transfer of £1,850,000 administration from the Department of Energy and Climate Change in respect of the Papal visit	1,850,000
A1	Transfer of £1,850,000 administration from the Department for Environment, Food and Rural Affairs in respect of the Papal visit	1,850,000
A1	Transfer of £1,850,000 administration from the Department for Communities and Local Government in respect of the Papal visit	1,850,000
A2	Transfer of £100,000 programme from the Department for International Development in respect of the Strategic and Bilateral fund	100,000

Introduction

A1	Transfer of £180,000 administration from the Department for International Development in respect of the gratis visa operation in Chernobyl	180,000	
A2	Transfer of £40,000,000 programme from the Department for International Development in respect of support for British Council Overseas Development Aid (ODA)	40,000,000	
A2	Transfer of £200,000 programme from the Department of International Development in respect of Tanzania Police Training Project	200,000	
	<u>Other changes in DEL spending</u>		
A7,A1	Capital to Administration switch of £25,000,000 in respect of exchange rate pressures	25,000,000	
	<u>Changes in Annually Managed Expenditure (AME)</u>		
F2	An increase in Impairments of £20,000,000	20,000,000	
	<u>Other changes</u>		
	<u>Resource transfers within the Request for Resources</u>		
A2,B2	Increase in Grant-in-Aid for the BBCWS of £6,080,000	6,080,000	-6,080,000
A2,C2	Increase in Grant-in-Aid for the British Council of £4,720,000	4,720,000	-4,720,000
	<u>Totals</u>	152,530,000	-10,800,000
	Total RfR 1		141,730,000

Introduction

RfR 2: Conflict prevention

Section Reason for Change

Changes related to movements in budgets

Transfers of budgetary cover to/from other government departments

A3	Transfer of £16,467,000 grants from DFID in respect of conflict prevention and discretionary Peacekeeping funds	16,467,000	
A3	Transfer of £54,000 grants to the Security Intelligence Agencies for expansion and capability		-54,000

Other changes

Resource transfers within the Request for Resources

A1,A2	Decrease of £71,570,000 programme from Section A1 Conflict Prevention and corresponding increase in Section A2 Peacekeeping.	71,570,000	-71,570,000
-------	--	------------	-------------

Totals

88,037,000 -71,624,000

Total RfR 2

16,413,000

Total change in resources for Estimate:

158,143,000

Introduction

Changes in capital

Section Reason for Change

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

Changes related to movements in budgets

Transfers of budgetary cover to/from other government departments

A7	Capital transfer of £265,000 from FCO to DFID as a contribution towards building a new office in Juba, Sudan	-265,000
----	--	----------

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

A8, A7	An increase of £7,000,000 in Capital fully offset by an increase in non-operating appropriations-in-aid	7,000,000 -7,000,000
--------	---	----------------------

Other changes in DEL spending

A1,A7	Capital to Administration Switch of £25,000,000 in respect of exchange rate pressures	-25,000,000
-------	---	-------------

Totals

7,000,000	-32,265,000
------------------	--------------------

Total RfR 1

-25,265,000

Total changes in capital for Estimate:

-25,265,000

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £112,878,000.
3. Symbols are explained in the Introduction to this booklet.

Foreign and Commonwealth Office

Part I

	£
Request for Resources 1: Promoting internationally the interests of the UK and contributing to a strong world community	141,730,000
Request for Resources 2: Conflict prevention	16,413,000
Total additional net resource requirement	158,143,000
Additional net cash requirement	112,878,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Foreign and Commonwealth Office on:

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

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

RfR 2: Conflict prevention

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

The **Foreign and Commonwealth Office** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community						
		141,730	-	141,730		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Administration, programmes and international organisations subscriptions.	1,112,742	110,930	-	110,930	1,223,672
B	BBC World Service Broadcasting	229,143	6,080	-	6,080	235,223
C	British Council	177,863	4,720	-	4,720	182,583
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
F	Administration, programmes and international organisations subscriptions	30,000	20,000	-	20,000	50,000
RfR 2: Conflict prevention						
		16,413	-	16,413		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Conflict Prevention Programme expenditure	146,000	-55,157	-	-55,157	90,843
B	Peacekeeping	350,000	71,570	-	71,570	421,570
Total for Estimate:			158,143	-	158,143	

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
--	--------------------------	---------------------------------	---------------------	----------------------------	----------------------

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	149,750	-18,265	131,485
Non-Operating A in A	18,000	7,000	25,000
Net cash requirement	2,109,148	112,878	2,222,026

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community								
549,068	1,248,900	327,210	2,125,178	383,000	1,742,178	131,485	25,000	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Administration, programmes and international organisations subscriptions.							
549,068	781,094	276,510	1,606,672	383,000	1,223,672	131,485	25,000	
B	BBC World Service Broadcasting							
-	235,223	-	235,223	-	235,223	-	-	
C	British Council							
-	182,583	-	182,583	-	182,583	-	-	
D	BBC World Service - Capital grant							
-	-	27,300	27,300	-	27,300	-	-	
E	British Council - Capital grant							
-	-	5,400	5,400	-	5,400	-	-	
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								
-	-	512,413	512,413	-	512,413	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Conflict Prevention Programme expenditure							
-	-	90,843	90,843	-	90,843	-	-	
B	Peacekeeping							
-	-	421,570	421,570	-	421,570	-	-	
Total for Estimate:								
549,068	1,248,900	839,623	2,637,591	383,000	2,254,591	131,485	25,000	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	2,096,448	158,143	2,254,591
Voted capital items			
Capital	149,750	-18,265	131,485
Less Non-operating A-in-A	18,000	7,000	25,000
Total net voted capital	131,750	-25,265	106,485
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-119,050	-20,000	-139,050
New provisions and adjustments to previous provisions	-10,000	-	-10,000
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	10,000	-	10,000
Total accruals to cash adjustments	-119,050	-20,000	-139,050
Excess cash to be CFERd	-	-	-
Net Cash Requirement	2,109,148	112,878	2,222,026

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2010-11
Provision**

Net Administration Costs

RfR 1

468,068

RfR 2

-

Total Net Administration Costs

468,068

Net Programme Costs

RfR 1

1,274,110

RfR 2

512,413

Non-voted

-5,000

Total Net Programme Costs

1,781,523

Total Net Operating Cost

2,249,591

of which:

Net Resource Requirement

2,254,591

Non-voted Expenditure

4,000

Consolidated Fund Extra Receipts

-9,000

Reduction in planned spend unable to be included in Estimate

-

Resource Budget

2,193,381

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	2,254,591
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	4,000
Consolidated Fund Extra Receipts in the OCS	-9,000
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	2,249,591
<i>Adjustments to remove:</i>	
Capital grants	-62,210
European Union income related to capital grants	-
Voted expenditure outside the budget	-18,000
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	9,000
Resource consumption of non departmental public bodies	-
Unallocated resource provision	15,000
Other adjustments	-
Resource Budget (Budget)	2,193,381
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,153,381
Annually Managed Expenditure (AME)	40,000

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	106,485
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	62,210
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	168,695
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	168,695
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

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

Administration	81,000
<i>of which:</i>	
Sale of goods and services	81,000
Programme	302,000
<i>of which:</i>	
Sale of goods and services	302,000
Total RfR 1	383,000†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: salary refunds of seconded diplomatic staff and locally engaged staff; the sale of information material, income from sub-letting and receipts from sales of surplus material and equipment; receipts at home and overseas for legalisation fees, telephone and postage recoveries, medical scheme recoveries, bank interest and other sundry receipts, repayment by locally engaged staff of loans for car purchase and medical and other assistance, receipts from Government Departments including DfID and MoD for the Special Representative on Conflict Resolution, receipts for visa, passport and other services provided at consular offices;

Wilton Park executive agency receipts for related running costs from other customers and receipts from sales and rents, Hospitality Section, Conference and visits Group and Lancaster House receipts for related running costs from other customers, repayment of sums advanced to distressed British Nationals; interest and dividends from Public Corporations; receipts from Sales into Wider Markets.

Total Operating A in A	383,000
-------------------------------	----------------

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

£'000

2010-11

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

Programme	25,000
<i>of which:</i>	
Sale of assets	25,000
Total RfR 1	25,000†

† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of land and buildings, receipts from the sale of official vehicles, repayment of loans to FCO services and receipts realised by the British Council.

Total Non-Operating A in A	25,000
-----------------------------------	---------------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	138,143	-17,000	2,124,381	29,000	2,153,381
<i>of which:</i>					
Administration budget	81,250	-17,000	468,068	16,630	484,698
Capital DEL †	-25,265	-	168,695	-	168,695
Less Depreciation ††	-	-	-99,050	-	-99,050
Total DEL	112,878	-17,000	2,194,026	29,000	2,223,026

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	408,000
--	---------

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

RfR/Section	Body	£'000
RfR1 - B,D	BBC World Service Braodcasting ♦	262,523
RfR1 - C,E	British Council ♦	187,983
RfR1 - A	Westminster Foundation for Democracy ♦	3,395

Notes to the Estimate (*continued*)**International Subscriptions**

RfR/Section	Body	£'000
RfR1 - A	UN Regular Budget	95,313
RfR1 - A	Commonwealth Secretariat	5,300
RfR1 - A	OECD	14,552
RfR1 - A	Western European Union	2,402
RfR1 - A	North Atlantic Treaty Organisation (NATO)	24,000
RfR1 - A	Council of Europe	27,740
RfR1 - A	OSCE	4,677

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>			
B	Allocated to programme DEL budgets	9,643,000	
<u>Other changes in DEL spending</u>			
D	Increase in capital grant spending in relation to IDA replenishment funded by capital receipts	200,000,000	
<u>Resource transfers to/from another Request for Resources</u>			
B	Transfer resources to RfR2		-1,347,000
<u>Resource transfers within the Request for Resources</u>			
A	re-allocation of administration costs to align Estimate with internal budgets	1,588,000	
B	re-allocation of administration costs to align Estimate with internal budgets		-724,000
C	re-allocation of administration costs to align Estimate with internal budgets		-3,460,000
D	re-allocation of administration costs to align Estimate with internal budgets	2,929,000	
E	re-allocation of administration costs to align Estimate with internal budgets	3,482,000	
F	re-allocation of administration costs to align Estimate with internal budgets		-3,815,000
B	re-allocation of capital grants to align Estimate with internal budgets	10,999,000	
C	re-allocation of capital grants to align Estimate with internal budgets		-11,000,000
D	re-allocation of capital grants to align Estimate with internal budgets	21,001,000	
E	re-allocation of capital grants to align Estimate with internal budgets		-21,000,000
A	re-allocation of programme costs to align Estimate with internal budgets		-621,000
B	re-allocation of programme costs to align Estimate with internal budgets	24,772,000	
C	re-allocation of programme costs to align Estimate with internal budgets	30,531,000	

Introduction

D	re-allocation of programme costs to align Estimate with internal budgets	20,017,000	
E	re-allocation of programme costs to align Estimate with internal budgets		-16,141,000
F	re-allocation of programme costs to align Estimate with internal budgets		-58,558,000

Totals 324,962,000 -116,666,000

Total RfR 1 208,296,000

RfR 2: Conflict prevention

Section Reason for Change

Other changes

Resource transfers to/from another Request for Resources

A Transfer Resources from RfR1 1,347,000

Totals 1,347,000 -

Total RfR 2 1,347,000

Total change in resources for Estimate: 209,643,000

Changes in capital

Section Reason for Change

RfR 1: Eliminating poverty in poorer countries

Changes related to movements in budgets

Other changes in DEL spending

C Increase in capital expenditure in the form of a short term loan to be fully offset by capital receipts 20,000,000

C Increase in capital receipts in the form of loan repayment fully offset by capital expenditure -20,000,000

Totals 20,000,000 -20,000,000

Total RfR 1 -

Total changes in capital for Estimate: -

- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £209,643,000.
- Symbols are explained in the Introduction to this booklet.

Department for International Development

Part I

	£
Request for Resources 1: Eliminating poverty in poorer countries	208,296,000
Request for Resources 2: Conflict prevention	1,347,000
Total additional net resource requirement	209,643,000
Additional net cash requirement	209,643,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Department for International Development on:

RfR 1: Eliminating poverty in poorer countries

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

RfR 2: Conflict prevention

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

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Eliminating poverty in poorer countries		208,296	-	208,296	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Bilateral Aid to Africa	1,797,867	967	-	967	1,798,834
B Bilateral Aid to South Asia	816,575	43,343	-	43,343	859,918
C Bilateral Aid to the Rest of the World	411,111	16,071	-	16,071	427,182
D Improve the Effectiveness of Multilateral Aid	2,454,667	243,947	-	243,947	2,698,614
E Develop a Global Partnership for Development	638,079	-33,659	-	-33,659	604,420
F Central Departments	161,543	-62,373	-	-62,373	99,170
RfR 2: Conflict prevention		1,347	-	1,347	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Conflict Prevention and Stabilisation	20,726	1,347	-	1,347	22,073
Total for Estimate:		209,643	-	209,643	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	20,001	20,000	40,001
Non-Operating A in A	20,000	20,000	40,000
Net cash requirement	6,584,284	209,643	6,793,927

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Eliminating poverty in poorer countries								
	154,918	1,111,619	5,812,101	7,078,638	12,000	7,066,638	40,001	40,000
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Bilateral Aid to Africa							
	17,534	359,197	1,422,103	1,798,834	-	1,798,834	-	-
B	Bilateral Aid to South Asia							
	8,139	146,029	705,750	859,918	-	859,918	-	-
C	Bilateral Aid to the Rest of the World							
	11,226	61,038	354,918	427,182	-	427,182	20,000	20,000
D	Improve the Effectiveness of Multilateral Aid							
	15,197	27,087	2,656,330	2,698,614	-	2,698,614	-	-
E	Develop a Global Partnership for Development							
	22,529	158,891	423,000	604,420	-	604,420	-	-
F	Central Departments							
	80,293	30,877	-	111,170	12,000	99,170	20,001	20,000
G	Environmental Transformation Fund							
	-	-	250,000	250,000	-	250,000	-	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
H	Programmes Contributing to Multiple Objectives							
	-	3,500	-	3,500	-	3,500	-	-
I	Grants to the International Finance Facility for Immunisation							
	-	325,000	-	325,000	-	325,000	-	-
RfR 2: Conflict prevention								
	5,726	7,651	8,696	22,073	-	22,073	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Conflict Prevention and Stabilisation							
	5,726	7,651	8,696	22,073	-	22,073	-	-
Total for Estimate:								
	160,644	1,119,270	5,820,797	7,100,711	12,000	7,088,711	40,001	40,000

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	6,879,068	209,643	7,088,711
Voted capital items			
Capital	20,001	20,000	40,001
Less Non-operating A-in-A	20,000	20,000	40,000
Total net voted capital	1	-	1
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-21,000	-	-21,000
New provisions and adjustments to previous provisions	-328,500	-	-328,500
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-285	-	-285
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	55,000	-	55,000
Total accruals to cash adjustments	-294,785	-	-294,785
Excess cash to be CFERd	-	-	-
Net Cash Requirement	6,584,284	209,643	6,793,927

Part III: Extra receipts payable to the Consolidated Fund

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

	£'000			
	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	200,000	<i>200,000</i>
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	-	-	200,000	<i>200,000</i>

Forecast Operating Cost Statement

£'000

**2010-11
Provision**
Net Administration Costs

RfR 1

148,918

RfR 2

5,726

Total Net Administration Costs
154,644
Net Programme Costs

RfR 1

6,917,720

RfR 2

16,347

Total Net Programme Costs
6,934,067
Total Net Operating Cost
7,088,711
of which:

Net Resource Requirement

7,088,711

Non-voted Expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget
6,300,554

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

2010-11
Provision

Net Resource Requirement (Estimates)	7,088,711
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	7,088,711
<i>Adjustments to remove:</i>	
Capital grants	-1,737,000
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	126,843
Other adjustments	822,000
Resource Budget (Budget)	6,300,554
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,008,839
Annually Managed Expenditure (AME)	291,715

Reconciliation of capital expenditure between Estimates and Budgets

£'000

2010-11
Provision

Net Voted Capital (Estimates)	1
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	1,737,000
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	19,264
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-200,000
Capital Budget (Budget)	1,556,265
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,556,265
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Nemat Shafik, Permanent Head of the Department

Request for Resources 2: Nemat Shafik, Permanent Head of the Department

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: Eliminating poverty in poorer countries

Administration	6,000
<i>of which:</i>	
Sale of goods and services	6,000
Programme	6,000
<i>of which:</i>	
Sale of goods and services	6,000
Total RfR 1	12,000†

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

Total Operating A in A	12,000
-------------------------------	---------------

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

£'000

2010-11

RfR 1: Eliminating poverty in poorer countries

Programme	40,000
<i>of which:</i>	
Loan, etc, repayments	40,000
Total RfR 1	40,000†

† Amount that may be applied as non-operating appropriations in aid, arising from: repayments of loans given to the Crown Agents; capital repayments of development assistance and budget support 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	40,000
-----------------------------------	---------------

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

	£'000	
	2010-11 Provision Income	Receipts
loan repayments Φ	200,000	200,000
Total	200,000	200,000

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	6,642	-81,372	5,023,211	985,628	6,008,839
<i>of which:</i>					
Administration budget	-	-	154,644	3,000	157,644
Capital DEL†	203,001	-202,736	1,737,001	-180,736	1,556,265
Less Depreciation††	-	-	-21,000	-	-21,000
Total DEL	209,643	-284,108	6,739,212	804,892	7,544,104

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	52,000
--	--------

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
Callable element of capital subscription : International Bank for Reconstruction and Development	5,205,151
Callable element of capital subscription : other International Financial Institutions	5,088,851
UK share of EU member states collective guarantee of lending by EIB under Lome	108,145
UK National Guarantee of EIB lending to UK overseas territories	360

Department of Energy and Climate Change

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.			
<u>Section Reason for Change</u>			
<u>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
Other resource			
C2	Increase in provision - transfer from Department for Communities and Local Government for Low Carbon Framework pilot programmes	2,500,000	
F2	Decrease in provision - transfer to Foreign and Commonwealth Office for Papal visit costs		-1,850,000
<u>Changes in operating appropriations in aid (not offset by changes in spending)</u>			
B5	Reduction in operating appropriations in aid (DEL) for Managing historic energy liabilities effectively and responsibly offset by increase in non-voted DEL income and non-Budget operating appropriations in aid	923,000,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
Other resource			
G2	Increase in provision for Managing historic energy liabilities effectively and responsibly (Other Current)	40,118,000	
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
Other resource			
A2	Increase in provision for Supporting affordable, secure and sustainable energy (Other Current)	3,206,000	

Introduction

A3	Reduction in provision for Supporting affordable, secure and sustainable energy (Grants)	-3,323,000
B2	Increase in provision for Managing historic energy liabilities effectively and responsibly (Other Current)	6,000,000
C2	Reduction in provision for Bringing about a low carbon UK (Other Current)	-56,960,000
C3	Increase in provision for Bringing about a low carbon UK (Grants)	23,680,000
D2	Reduction in provision for Developing an international agreement on climate change (Other Current)	-10,787,000
D3	Increase in provision for Developing an international agreement on climate change (Grants)	5,812,000
E2	Increase in provision for Promoting low carbon technologies in developing countries (Other Current)	340,000
E3	Increase in provision for Promoting low carbon technologies in developing countries (Grants)	6,464,000
F2	Increase in provision for Professional support and infrastructure (Other Current)	25,568,000
	Capital Grants	
A3	Increase in provision for Supporting affordable, secure and sustainable energy	225,000
C3	Reduction in provision for Bringing about a low carbon UK	-8,572,000
F3	Increase in provision for Professional support and infrastructure	8,347,000
	<u>Transfers to/from non-voted spending</u>	
	Other resource - change offset by reductions in non-voted spending by sponsored non Departmental Public Bodies	
C3	Increase in provision for Bringing about a low carbon UK (Grants)	20,126,000
	Capital Grants - change offset by increase in DEL CFER income	
A3	Increase in provision for Supporting affordable, secure and sustainable energy	3,262,000
	<u>Changes in non-budget spending</u>	
I3	To increase Grant-in-Aid provision for Nuclear Decommissioning Authority	227,000,000
I5	To increase operating appropriations in aid for Nuclear Decommissioning Authority	-1,150,000,000

Introduction

Transfers from capital to capital grants

C3	Increase in provision for Capital Grants for Bringing about a low carbon UK offset by an increase in non-operating appropriations in aid	1,049,000	
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A2/A5	To increase provision for expenditure and corresponding appropriations in aid for Supporting affordable, secure and sustainable energy (Other Current)	2,935,000	-2,935,000
C3/C5	To increase provision for expenditure and corresponding appropriations in aid for Bringing about a low carbon UK (Grants)	25,000,000	-25,000,000
F1/F5	To increase provision for expenditure and corresponding appropriations in aid for Professional support and infrastructure (Administration)	237,000	-237,000
F2/F5	To increase provision for expenditure and corresponding appropriations in aid for Professional support and infrastructure (Other Current)	1,500,000	-1,500,000
<u>Totals</u>		1,326,369,000	-1,261,164,000

Total RfR 1	65,205,000
--------------------	-------------------

Total change in resources for Estimate:	65,205,000
--	-------------------

Changes in capital

Section Reason for Change

RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.

Changes related to movements in budgets

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

C8	Increase in non-operating appropriations in aid for Building a low carbon UK offset by increase in Capital Grants		-1,049,000
<u>Totals</u>		-	-1,049,000

Total RfR 1	-1,049,000
--------------------	-------------------

Total changes in capital for Estimate:	-1,049,000
---	-------------------

- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £199,738,000.
- Symbols are explained in the Introduction to this booklet.

Department of Energy and Climate Change

Part I

	£
Request for Resources 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.	65,205,000
Total additional net resource requirement	65,205,000
Additional net cash requirement	199,738,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Department of Energy and Climate Change on:

RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.

Support for energy-related activities including regulation, civil emergency planning, environmental remediation and support for new and sustainable energy sources, security and non-proliferation; safety, environment and social impact programmes relating to nuclear sites in Central and Eastern Europe and the former Soviet Union and other countries where future G8 Global Partnership related initiatives may be pursued.

Respond to fuel poverty needs; measures to improve energy efficiency, security and environmental practice; promote and support actions to reduce global greenhouse gas emissions; climate modelling and risk assessment; investments in the 2020 European Fund for Energy, Climate Change and Infrastructure ('Marguerite').

Work towards international agreement on climate change; subscriptions and contributions to international organisations and fulfilment of international treaty obligations.

Payments to the Department for Business, Innovation and Skills towards the costs of the Regional Development Agencies and the London Development Agency. Payments to the Department for Communities and Local Government towards the costs of the Government Offices. Payments to HM Treasury towards the cost of Infrastructure UK.

Efficient discharge of liabilities falling to the Department, including nuclear waste management and decommissioning and for former coal industry employees.

Specialist support services, staff management and development; other departmental administration and non-cash costs; exchange risk and other guarantee losses; publicity, promotion, publications, knowledge sharing initiatives and departmental research and development; grant-in-aid and subsidies to support delivery bodies; surveys, monitoring, statistics, advice and consultancies; licensing, approvals and certification; inspections and compliance in accordance with EU regulatory requirements.

The **Department of Energy and Climate Change** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.						
		321,877	256,672	65,205		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Supporting affordable, secure and sustainable energy	79,148	6,305	2,935	3,370	82,518
B	Managing historic energy liabilities effectively and responsibly	-923,000	6,000	-923,000	929,000	6,000
C	Bringing about a low carbon UK	645,311	6,823	25,000	-18,177	627,134
D	Developing an international agreement on climate change	11,497	-4,975	-	-4,975	6,522
E	Promoting low carbon technologies in developing countries	250,000	6,804	-	6,804	256,804
F	Professional support and infrastructure	121,673	33,802	1,737	32,065	153,738
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
G	Managing historic energy liabilities effectively and responsibly	102,045	40,118	-	40,118	142,163
Non-Budget						
I	Managing historic energy liabilities effectively and responsibly	2,648,283	227,000	1,150,000	-923,000	1,725,283
Total for Estimate:			321,877	256,672	65,205	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	16,800	-	16,800
Non-Operating A in A	15,750	1,049	16,799
Net cash requirement	3,176,177	199,738	3,375,915

Part II: Revised subhead detail including additional provision

							£'000	
Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.								
109,634	263,070	3,826,457	4,199,161	1,194,677	3,004,484	16,800	16,799	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Supporting affordable, secure and sustainable energy							
-	19,924	67,492	87,416	4,898	82,518	-	-	
B	Managing historic energy liabilities effectively and responsibly							
-	6,000	-	6,000	-	6,000	-	-	
C	Bringing about a low carbon UK							
-	46,024	607,540	653,564	26,430	627,134	16,800	16,799	
D	Developing an international agreement on climate change							
-	1,710	5,812	7,522	1,000	6,522	-	-	
E	Promoting low carbon technologies in developing countries							
-	340	256,464	256,804	-	256,804	-	-	
F	Professional support and infrastructure							
109,634	43,107	8,347	161,088	7,350	153,738	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
G	Managing historic energy liabilities effectively and responsibly							
-	140,965	1,198	142,163	-	142,163	-	-	
Non-Budget								
H	Supporting affordable, secure and sustainable energy							
-	5,000	-	5,000	4,999	1	-	-	
I	Managing historic energy liabilities effectively and responsibly							
-	-	2,875,283	2,875,283	1,150,000	1,725,283	-	-	
J	Bringing about a low carbon UK							
-	-	4,321	4,321	-	4,321	-	-	
Total for Estimate:								
109,634	263,070	3,826,457	4,199,161	1,194,677	3,004,484	16,800	16,799	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	2,939,279	65,205	3,004,484
Voted capital items			
Capital	16,800	-	16,800
Less Non-operating A-in-A	15,750	1,049	16,799
Total net voted capital	1,050	-1,049	1
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-2,987	-	-2,987
New provisions and adjustments to previous provisions	-102,045	-40,118	-142,163
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-120	-	-120
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	175,000	175,000
Use of provisions	341,000	700	341,700
Total accruals to cash adjustments	235,848	135,582	371,430
Excess cash to be CFERd	-	-	-
Net Cash Requirement	3,176,177	199,738	3,375,915

Part III: Extra receipts payable to the Consolidated Fund

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

	£'000			
	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	22,555	<i>22,555</i>	22,148	<i>22,148</i>
Non-operating income not classified as A in A	77,800	<i>77,800</i>	82,037	<i>82,037</i>
Other amounts collectable on behalf of the Consolidated Fund	60,000	<i>60,000</i>	60,000	<i>60,000</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	<i>-</i>	-	<i>-</i>
Total	160,355	<i>160,355</i>	164,185	<i>164,185</i>

Forecast Operating Cost Statement

£'000

**2010-11
Provision**
Net Administration Costs

RfR 1

108,084

Total Net Administration Costs

108,084
Net Programme Costs

RfR 1

2,896,400

Non-voted

-22,148

Total Net Programme Costs

2,874,252
Total Net Operating Cost
2,982,336
of which:

Net Resource Requirement

3,004,484

Non-voted Expenditure

-

Consolidated Fund Extra Receipts

-22,148

Reduction in planned spend unable to be included in Estimate

-

Resource Budget

3,266,062

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	3,004,484
<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	-22,148
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	2,982,336
<i>Adjustments to remove:</i>	
Capital grants	-746,420
European Union income related to capital grants	-
Voted expenditure outside the budget	1,149,999
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-144,418
Unallocated resource provision	-
Other adjustments	24,565
Resource Budget (Budget)	3,266,062
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,217,562
Annually Managed Expenditure (AME)	2,048,500

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	1
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-82,037
Capital spending by non-departmental public bodies	1,186,082
Capital grants	746,420
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-24,565
Capital Budget (Budget)	1,825,901
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,903,701
Annually Managed Expenditure (AME)	-77,800

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Moira Wallace

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.

Administration	1,550
<i>of which:</i>	
Sale of goods and services	1,550
Programme	1,193,127
<i>of which:</i>	
Sale of goods and services	1,166,697
Other grant income (including repayments of grants/subsidies)	1,430
Other income (including receipts)	25,000

Total RfR 1	1,194,677†
--------------------	-------------------

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts relating to the Nuclear Decommissioning Authority and the oil and gas industries (including petroleum licensing); income relating to legal services, consultancy, publications, public enquiries, information, secondments, departmental administration costs, central services, rental income and repayments; occupancy charge; administrative and professional services; receipts from other Government Departments and devolved administrations; government carbon offsetting scheme receipts; grant income from the Department for Business, Innovation and Skills for the Low Carbon Buildings Programme.

Total Operating A in A	1,194,677
-------------------------------	------------------

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

£'000

2010-11

RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.

Programme	16,799
<i>of which:</i>	
Loan, etc, repayments	16,799

Total RfR 1	16,799†
--------------------	----------------

† Amount that may be applied as non-operating appropriations in aid, arising from: receipts relating to the Nuclear Decommissioning Authority; the sale of surplus land and buildings; the repayment of loans and investments.

Total Non-Operating A in A	16,799
-----------------------------------	---------------

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2010-11 Provision Income	Receipts
Application fees for petroleum exploration and production licenses, and initial and periodic payments (rents). Royalty on petroleum won and saved ●	60,000	60,000
National Nuclear Laboratory Φ	555	555
Distribution of surpluses from coal industry pension scheme Δ	77,800	77,800
BNFL/Urenco dividend Δ	21,593	21,593
Energy Efficiency loan repayments Φ	4,237	4,237
Total	164,185	164,185

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	943,776	-924,801	407,198	810,364	1,217,562
<i>of which:</i>					
Administration budget	-	-	108,084	-	108,084
Capital DEL†	3,262	-21,587	725,519	1,178,182	1,903,701
Less Depreciation††	-	-	-2,987	-5,678	-8,665
Total DEL	947,038	-946,388	1,129,730	1,982,868	3,112,598

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,211,476
--	-----------

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1 A3	Non-proliferation: international subscriptions	26,435

Grants in aid

RfR/Section	Body	£'000
RfR1 I	Nuclear Decommissioning Authority ♥	2,840,234
RfR1 I	Coal Authority ♥	32,049
RfR1 I	Civil Nuclear Police Authority ♥	3,000
RfR1 J	Committee on Climate Change ♥	4,321

International Subscriptions

RfR/Section	Body	£'000
RfR1 A3	International Atomic Energy Agency	22,461
RfR1 A3	Organisation for the Prohibition of Chemical Weapons	3,974
RfR1 D3	UN Framework Convention on Climate Change	2,992
RfR1 D3	International Energy Agency	2,370
RfR1 E3	International Renewable Energy Agency	2,000

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
As at 31 March 2010 the following liabilities fell to be met from the Department's Estimate:-	
Statutory Guarantees	
– Guarantee for Carbon Trust Directors – prevent Director liabilities	15,600
– Guarantee for Energy Saving Trust Directors – prevent Director liabilities	7,900
Statutory Indemnities	
– Quality Assurance for Combined Heat and Power contractors wrongly assessing a scheme	100
– Indemnity in respect of National Grid Company's liabilities re: the interconnector linking the UK and France;	Unquantifiable
Other	
– High Activity Sealed Sources (HASS) Directive	6,000
– Contractual Commitment to cover demobilisation costs - Warm Front contract with Eaga Plc	7,500
– Indemnities have been given to the Directors appointed by the Department to Enrichment Holdings Limited, Enrichment Investments Limited and Urenco Limited against personal liability following any legal action against the Company.	Unquantifiable
– Statutory liability for third party claims in excess of the operator's liability in the event of a nuclear accident in the UK.	Unquantifiable
– Letter of comfort to AEA Technology re: joint European project for the underground gasification of coal.	Unquantifiable
– Coal Industry Act 1994: Any liabilities of British Coal in respect of industrial injury to its former employees between 1947 and 31 December 1997, and any disability or disease arising from employment in that period, the timing and amounts of which are uncertain at this time. The liabilities arise through the various health claims that have been made by former and current employees of British Coal. The uncertainty is due to two factors: a) the nature of any injury; and b) whether the courts decide that compensation is due. Given recent history, the fact that the burden of proof rests with the plaintiff and that the compensation level is determined on a case-by-case basis, there is a high level of uncertainty relating to either the amount of the payments due or whether they are likely to be paid. The Department has commissioned a second independent actuarial review of miscellaneous coal health related liabilities (including contingent liabilities) to assess the potential future financial risk to the Department.	Unquantifiable
– Nuclear Liabilities Fund – Secretary of State Trustee Indemnities: Indemnities have been given to the three Trustees of the NLF appointed by the Secretary of State. These indemnities are against personal liability following any legal action against the Fund.	Unquantifiable
– Nuclear Liabilities Fund – British Energy Trustee Back Up Indemnities: Given to the two BE appointed Trustees of the Nuclear Liabilities Fund. These indemnities are against personal liability following any legal action against the Fund. These indemnities can only be used following failed recourse to an indemnity given by British Energy.	Unquantifiable

Contingent liabilities

Nature of Liability	£'000
<p>– Deed Relating to the British Coal Staff Superannuation Scheme under Paragraph 2(9) of Schedule 5 to the Coal Industry Act 1994 and Deed Relating to the Mineworkers' Pension Scheme under Paragraph 2(9) of Schedule 5 to the Coal Industry Act 1994: Government Guarantees were put in place on 31 October 1994, the day the Schemes were changed to reflect the impact of the privatisation of the coal industry. They are legally binding contracts between the Trustees and the Secretary of State for Energy and Climate Change. The Guarantees ensure that the benefits earned by Scheme members during their employment with British Coal, and any benefit improvements from surpluses which were awarded prior to 31 October 1994, will always be paid and will be increased each year in line with the Retail Prices Index. The 1994 arrangements provided for the following notional sub-funds to be established within each overall fund: Guaranteed Fund; Bonus Augmentation Fund; Guarantor's Fund; and Investment Reserve.</p>	Unquantifiable

If at any periodic valuation the assets of the Guaranteed Fund were to be insufficient to meet its liabilities, the assets must be increased to bring the Fund back into balance. This might necessitate one or more of the following steps: transfer of assets from the Investment Reserve; equal transfers from the Guarantor's Fund and the Bonus Augmentation Fund; payments from the Government under the terms of the Guarantees. There is a long term contingent liability dependent on the performance of the schemes' investments and their mortality experience. Poor performance in world financial and equity markets in the course of 2008-09 had a serious adverse effect on the schemes' funding position. A similarly adverse experience in the next valuation cycle in 2011-12 could quite conceivably serve to crystallize the Government's financial obligation to fund any deficit over a 10 year period.

Department for Environment, Food and Rural Affairs

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible

Section Reason for Change

Changes related to movements in budgets

Machinery of Government changes

K1	Transfer of Administration spend to A Sustainable, Secure and Healthy Food Supply from Food Standards Agency	1,188,000
K2	Transfer of Other Current spend to A Sustainable, Secure and Healthy Food Supply from Food Standards Agency	544,000

Transfers of budgetary cover to/from other government departments

A2	Transfer of Other Current spend from A Healthy Natural Environment to Scottish Executive.	-100,000
G1	Transfer of Administration spend from A Respected Department to Foreign and Commonwealth Office	-1,850,000

Transfers from resource spending to capital spending (capital grants)

F3	Decrease in Capital Grants for Strong Rural Communities	-1,500,000
----	---	------------

Other changes

Resource transfers within the Request for Resources

A1	Decrease in Administration spend for A Healthy Natural Environment	-1,514,000
A2	Increase in Other Current spend for A Healthy Natural Environment	5,328,000

Introduction

A3	Decrease in Grants for A Healthy Natural Environment	-1,000,000
B1	Increase in Administration spend for Sustainable Consumption and Production	52,000
B2	Increase in Other Current spend for Sustainable Consumption and Production	1,923,000
B3	Increase in Grants for Sustainable Consumption and Production	2,407,000
C1	Decrease in Administration spend for Addressing Environmental Risk and Emergencies	-914,000
C2	Decrease in Other Current spend for Addressing Environmental Risk and Emergencies	-6,294,000
C3	Decrease in Grants for Addressing Environmental Risk and Emergencies	-1,680,000
D1	Increase in Administration spend for A Thriving Farming and Food Sector	1,589,000
D2	Decrease in Other Current spend for A Thriving Farming and Food Sector	-816,000
F1	Increase in Administration spend for Strong Rural Communities	227,000
F2	Decrease in Other Current spend for Strong Rural Communities	-7,609,000
F3	Increase in Grants for Strong Rural Communities	2,000,000
G1	Increase in Administration spend for A Respected Department	1,121,000
G2	Increase in Other Current spend for A Respected Department	5,078,000
G3	Decrease in Grants for A Respected Department	-4,400,000
G5	Increase in Appropriations in Aid for A Respected Department	-3,000
I2	Decrease in Other Current spend for Rural Payments Agency Running Costs	-101,000
J1	Decrease in Administration spend for Adapting to Climate Change	-195,000
J2	Increase in Other Current spend for Adapting to Climate Change	3,237,000
K1	Decrease in Administration spend for A Sustainable, Secure and Healthy Food Supply	-38,000
L3	Increase in Grants for A Healthy Natural Environment (LA)	1,602,000

Introduction

Transfers to/from non-voted spending

A1	Transfer of Administration spend from A Healthy Natural Environment to Marine Management Organisation		-325,000
A2	Transfer of Other Current spend to A Healthy Natural Environment from Rural Development Programme for England	22,010,000	
A2	Transfer of Other Current spend from A Healthy Natural Environment to National Forest Company		-100,000
A2	Transfer of Other Current spend from A Healthy Natural Environment to Marine Management Organisation		-111,000
A2	Transfer of Other Current spend from A Healthy Natural Environment to Joint Nature Conservation Committee		-2,901,000
A2	Transfer of Other Current spend from A Healthy Natural Environment to Environment Agency		-3,229,000
A2	Transfer of Other Current spend from A Healthy Natural Environment to Natural England		-1,901,000
A3	Transfer of Grants from A Healthy Natural Environment to Environment Agency		-1,300,000
C2	Transfer of Other Current spend from Addressing Environmental Risk and Emergencies to Environment Agency		-610,000
C3	Transfer of Grants from Addressing Environmental Risk and Emergencies to Environment Agency		-7,463,000
G2	Transfer of Other Current spend from A Respected Department to Marine Management Organisation		-32,000
G2	Transfer of Other Current spend from A Respected Department to Joint Nature Conservation Committee		-1,000
G2	Transfer of Other Current spend from A Respected Department to Gangmasters Licensing Authority		-100,000
G2	Transfer of Other Current spend to A Respected Department from Natural England	586,000	
G2	Transfer of Other Current spend to A Respected Department from Commission for Rural Communities	44,000	
G2	Transfer of Other Current spend to A Respected Department from Sustainable Development Commission	233,000	
L3	Transfer of Grants from A Healthy Natural Environment (LA) to Environment Agency		-10,000,000

Introduction

Changes in non-budget spending

R3	Increase in Grant in Aid for Environment Agency	6,829,000	
R3	Increase in Grant in Aid for Natural England	2,615,000	
R3	Increase in Grant in Aid for National Forest Company	110,000	
R3	Increase in Grant in Aid for Joint Nature Conservation Committee	2,902,000	
R3	Increase in Grant in Aid for Marine Management Organisation	143,000	
S3	Increase in Grant in Aid for Environment Agency	8,073,000	
T3	Increase in Grant in Aid for Gangmasters Licensing Authority	100,000	
U3	Decrease in Grant in Aid for Commission for Rural Communities		-44,000
W3	Decrease in Grant in Aid for Sustainable Development Commission		-233,000

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

G1 and G5	Increase in Administration spend for A Respected Department offset by increase in operating Appropriations in Aid.	131,000	-131,000
-----------	--	---------	----------

Totals **70,072,000 -56,495,000**

Total RfR 1 **13,577,000**

Total change in resources for Estimate: **13,577,000**

Changes in capital

Section Reason for Change

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible

Other changes

Transfers within Estimate

C7	Increase in Capital spend for Addressing Environmental Risk and Emergencies	2,573,000	
G7	Decrease in Capital spend for A Respected Department		-2,573,000

Introduction

Transfers from capital grants to capital

D7	Increase in capital spend for A Thriving Farming and Food Sector	1,300,000	
G7	Increase in capital spend for A Respected Department	200,000	
	Totals	4,073,000	-2,573,000
Total RfR 1			1,500,000
Total changes in capital for Estimate:			1,500,000

- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £15,402,000.
- Symbols are explained in the Introduction to this booklet.

Department for Environment, Food and Rural Affairs

Part I

	£
Request for Resources 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible†	13,577,000
Total additional net resource requirement	13,577,000
Additional net cash requirement†	15,402,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Department for Environment, Food and Rural Affairs on:

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible

Climate modelling, risk assessment and adaptation;

Support national and global biodiversity; contaminated land grants; environmental protection; maintain water quality and supply; management of inland waterways and obligations under the Water Act 2003; marine environment, species and habitat protection; international policy, research, standard-setting, and monitoring to support sustainable forestry; wildlife management; maintain air and ozone quality; increase UK's environment decontamination capabilities;

Promotion and support for sustainable consumption and production, better waste management and sustainable development;

Flood risk management; exotic and endemic animal and plant disease policy portfolio and eradication; regulatory systems for chemicals and pesticides; manage other environmental risks; land drainage and sewerage; noise-mapping; radioactive waste management; pollution emergency response services;

Supporting development of farming and cost-sharing initiatives; keeping, movement tracing, international trade and welfare of animals; animal products, dairy hygiene and marketing; champion hygienic production, marketing, delivery and processing in the agriculture, fisheries and food industries; EU compensation payments to producers and support for agriculture; UK's responsibilities under the CITES Convention; fishing industry support;

Support a sustainable, secure and healthy food supply;

Support for rural and regional development;

Part I

Specialist support services, staff management and development; other departmental administration and non-cash costs; publicity, promotion, awareness and publications; knowledge sharing initiatives; commissioned and departmental research and development; grant-in-aid and subsidies to support delivery bodies; surveys, monitoring, statistics, advice and consultancies; funding through Area Based Grants; subscriptions and contributions to international organisations; licensing, approvals and certification; inspections and compliance in accordance with EU regulatory requirements.

RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain

Deliver the social, environmental and economic programmes of the UK Government's strategy for Trees, Woods and Forests in England, connected to the distinctive needs of the Regions, through the promotion of forestry: and by managing the Commission's Estate regulating planting and felling and offering incentives. Provide advice and support to the UK Government and to the devolved administrations in Scotland and Wales, represent the United Kingdom's forestry interests within the European Union and internationally, set standards for sustainable forest management and encourage good forestry practice, conduct forest research and protect forests from pests and disease.

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

† The functions relating to country of origin labelling, non food safety labelling and food composition policy in England were transferred from the Food Standards Agency on 1 October 2010. Within the overall changes sought in this Estimate the specific changes relating to this Machinery of Government transfer are: (a) for RfR 1 the Net Resource Requirement is increased by £1,732,000: (b) the Net Cash Requirement for the Estimate is increased by £1,732,000.

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: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible						
		13,711	134	13,577		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	A Healthy Natural Environment	708,283	14,857	-	14,857	723,140
B	Sustainable Consumption and Production	101,026	4,382	-	4,382	105,408
C	Addressing Environmental Risk and Emergencies	307,969	-16,961	-	-16,961	291,008
D	A Thriving Farming and Food Sector	99,524	773	-	773	100,297
F	Strong Rural Communities	80,095	-6,882	-	-6,882	73,213
G	A Respected Department	166,886	810	134	676	167,562
I	Rural Payments Agency Running Costs	182,085	-101	-	-101	181,984
J	Adapting to Climate Change	23,778	3,042	-	3,042	26,820
K	A Sustainable, Secure and Healthy Food Supply	3,008	1,694	-	1,694	4,702
<i>Support for Local Authorities</i>						
L	A Healthy Natural Environment	66,861	-8,398	-	-8,398	58,463

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
Non-Budget					
R A Healthy Natural Environment	518,244	12,599	-	12,599	530,843
S Addressing Environmental Risk and Emergencies	668,100	8,073	-	8,073	676,173
T A Thriving Farming and Food Sector	1,534	100	-	100	1,634
U Strong Rural Communities	5,784	-44	-	-44	5,740
W Championing Sustainable Development	2,553	-233	-	-233	2,320
Total for Estimate:		13,711	134	13,577	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	53,994	1,500	55,494
Non-Operating A in A	8,200	-	8,200
Net cash requirement	5,026,729	15,402	5,042,131

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible								
370,945	4,500,143	1,568,049	6,439,137	1,380,435	5,058,702	53,494	8,200	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	A Healthy Natural Environment							
45,092	729,452	34,703	809,247	86,107	723,140	10,204	-	
B	Sustainable Consumption and Production							
9,872	31,171	64,365	105,408	-	105,408	-	-	
C	Addressing Environmental Risk and Emergencies							
39,416	280,790	35,339	355,545	64,537	291,008	28,478	-	
D	A Thriving Farming and Food Sector							
36,155	76,178	201	112,534	12,237	100,297	1,600	-	
E	Championing Sustainable Development							
2,354	3,600	-	5,954	-	5,954	-	-	
F	Strong Rural Communities							
1,689	20,922	50,622	73,233	20	73,213	-	-	
G	A Respected Department							
230,151	-21,052	-	209,099	41,537	167,562	2,529	8,200	
H	Rural Payments Agency EC Funded							
-	1,949,815	8,096	1,957,911	-	1,957,911	-	-	
I	Rural Payments Agency Running Costs							
-	182,923	-	182,923	939	181,984	10,683	-	
J	Adapting to Climate Change							
2,902	17,718	6,200	26,820	-	26,820	-	-	
K	A Sustainable, Secure and Healthy Food Supply							
3,314	744	644	4,702	-	4,702	-	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
<i>Support for Local Authorities</i>									
L	A Healthy Natural Environment								
	-	24	58,439	58,463	-	58,463	-	-	
M	Sustainable Consumption and Production								
	-	-	33,750	33,750	-	33,750	-	-	
N	Rural Payments Agency EC Funded								
	-	-	4,983	4,983	-	4,983	-	-	
O	Area Based Grant: Defra								
	-	-	2,997	2,997	-	2,997	-	-	
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
P	A Healthy Natural Environment								
	-	10,800	51,000	61,800	-	61,800	-	-	
Q	Rural Payments Agency other								
	-	42,000	-	42,000	-	42,000	-	-	
Non-Budget									
R	A Healthy Natural Environment								
	-	-	530,843	530,843	-	530,843	-	-	
S	Addressing Environmental Risk and Emergencies								
	-	-	676,173	676,173	-	676,173	-	-	
T	A Thriving Farming and Food Sector								
	-	-	1,634	1,634	-	1,634	-	-	
U	Strong Rural Communities								
	-	-	5,740	5,740	-	5,740	-	-	
V	Rural Payments Agency EC Funded								
	-	1,175,058	-	1,175,058	1,175,058	-	-	-	
W	Championing Sustainable Development								
	-	-	2,320	2,320	-	2,320	-	-	

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A
1	2	3	4	5	6		7	8
RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain								
-	56,776	750	57,526	12,270	45,256		2,000	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Forestry Commission (England)							
-	39,760	-	39,760	12,270	27,490		40	-
B	Forestry Commission (GB Core)							
-	17,016	750	17,766	-	17,766		1,960	-
Total for Estimate:								
370,945	4,556,919	1,568,799	6,496,663	1,392,705	5,103,958		55,494	8,200

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	5,090,381	13,577	5,103,958
Voted capital items			
Capital	53,994	1,500	55,494
Less Non-operating A-in-A	8,200	-	8,200
Total net voted capital	45,794	1,500	47,294
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-100,766	325	-100,441
New provisions and adjustments to previous provisions	-103,800	-	-103,800
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-294	-	-294
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	95,414	-	95,414
Total accruals to cash adjustments	-109,446	325	-109,121
Excess cash to be CFERd	-	-	-
Net Cash Requirement	5,026,729	15,402	5,042,131

Part III: Extra receipts payable to the Consolidated Fund

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

£'000

	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	2,316,695	<i>2,316,695</i>	2,338,705	<i>2,338,705</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	2,316,695	<i>2,316,695</i>	2,338,705	<i>2,338,705</i>

Forecast Operating Cost Statement

£'000

**2010-11
Provision**
Net Administration Costs

RfR 1

282,088

RfR 2

-

Total Net Administration Costs
282,088
Net Programme Costs

RfR 1

4,776,614

RfR 2

45,256

Non-voted

-2,338,705

Total Net Programme Costs
2,483,165
Total Net Operating Cost
2,765,253
of which:

Net Resource Requirement

5,103,958

Non-voted Expenditure

-

Consolidated Fund Extra Receipts

-2,338,705

Reduction in planned spend unable to be included in Estimate

-

Resource Budget
2,393,956

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

**2010-11
Provision**

Net Resource Requirement (Estimates)	5,103,958
<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	-2,338,705
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	2,765,253
<i>Adjustments to remove:</i>	
Capital grants	-74,828
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	-346,469
Unallocated resource provision	50,000
Other adjustments	-
Resource Budget (Budget)	2,393,956
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,417,073
Annually Managed Expenditure (AME)	-23,117

Reconciliation of capital expenditure between Estimates and Budgets

£'000

**2010-11
Provision**

Net Voted Capital (Estimates)	47,294
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	425,592
Capital grants	74,828
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	10,650
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	558,364
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	547,714
Annually Managed Expenditure (AME)	10,650

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Helen Ghosh, Accounting Officer and Permanent Head of Department

Request for Resources 2: Tim Rollinson, Director General of the Forestry Commission

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible

Administration	88,857
<i>of which:</i>	
Sale of goods and services	88,857
Programme	1,291,578
<i>of which:</i>	
Sale of goods and services	17,019
EU Income	1,187,038
Other grant income (including repayments of grants/subsidies)	60,642
Interest and dividends	26,879

Total RfR 1	1,380,435†
--------------------	-------------------

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Income from devolved administrations and EC; receipts from sale of carcasses and vaccines; income from levies, licensing, approvals, certification, publications, public inquiries, information, inspections, registrations, supervision and extensification; administration of grant, waste disposal, capital loan schemes; commissioned surveys, research, studies and advice; rental income and repayments; occupancy charge; administrative and professional services; pension and redundancy contributions; knowledge sharing initiatives.

RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain

Programme	12,270
<i>of which:</i>	
Interest and dividends	12,270

Total RfR 2	12,270†
--------------------	----------------

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

Total Operating A in A	1,392,705
-------------------------------	------------------

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

£'000

2010-11

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible

Programme	8,200
<i>of which:</i>	
Sale of assets	8,200

Total RfR 1	8,200†
--------------------	---------------

† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of surplus land, buildings and other capital assets.

Total Non-Operating A in A	8,200
-----------------------------------	--------------

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

	£'000	
	2010-11 Provision Income	Receipts
Rural Payments Agency EU Income Φ	1,962,894	<i>1,962,894</i>
Rural Development Programme England Income Φ	375,811	<i>375,811</i>
Total	2,338,705	<i>2,338,705</i>

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

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	12,345	-12,563	3,707,615	-1,290,542	2,417,073
<i>of which:</i>					
Administration budget	-662	-	282,088	-	282,088
Capital DEL†	-17,763	17,763	123,127	424,587	547,714
Less Depreciation††	325	-325	-100,441	-109,235	-209,676
Total DEL	-5,093	4,875	3,730,301	-975,190	2,755,111

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

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

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

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,400,905
--	-----------

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RFR1 A-F	Payments for Committees and Tribunals	58

Grants in aid

RfR/Section	Body	£'000
RfR1 - R	Natural England ♦	209,058
RfR1 - U	Commission for Rural Communities ♥	5,740
RfR1 - R & S	Environment Agency ♥	925,579
RfR1 - R	National Forest Company ♥	3,350
RfR1 - R	Royal Botanic Gardens, Kew ♥	27,120
RfR1 - R	Marine Management Organisation ♥	32,116
RfR1 - R	Joint Nature Conservation Committee ♠	4,692
RfR1 - R	Consumer Council for Water ♥	5,101
RfR1 - T	Gangmasters Licensing Authority ♥	1,634
RfR1 - W	Sustainable Development Commission ♥	2,320

Department for Culture, Media and Sport

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

RfR 1: Improving the quality of life through cultural and sporting activities

Section Reason for Change

Changes related to movements in budgets

		Increases	Reductions
<u>Take up of DEL End Year Flexibility (EYF)</u>			
J1	Administration EYF for the Government Olympic Executive	3,700,000	
M3	Increase in Grant in Aid provision for Museums and Galleries to fund non-voted Resource DEL	2,000,000	
N3	Increase in Grant in Aid provision for Arts Council of England to fund non-voted Capital DEL	19,500,000	
O3	Increase in Grant in Aid provision for Sport England to fund non-voted Capital DEL	6,500,000	
P3	Increase in Grant in Aid provision for English Heritage to fund non-voted Capital DEL	4,000,000	
R3	Increase in Grant in Aid provision for the UK Film Council to fund non-voted Resource DEL	4,000,000	
<u>Take up of Departmental Unallocated Provision</u>			
M3	Increase in Grant in Aid provision for the Museums and Galleries to fund non-voted Resource DEL	100,000	
<u>Transfers from resource spending to capital spending (capital grants)</u>			
B3:B2	From other Arts support to fund the Poetry Archive	50,000	-50,000
B3:D3	From other Heritage support to fund the Poetry Archive	7,000	-7,000
B3:I2	From Creative Economy to fund the Poetry Archive	3,000	-3,000

Introduction

<u>Changes in Annually Managed Expenditure (AME)</u>			
V2	Increase in voted provisions for Early Departure costs	258,000	
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
A2:D3	To fund IDeA	25,000	-25,000
A2:I2	To fund the British Museum Treasure agreement	106,000	-106,000
B2:D3	To other Arts Support to provide funding for successful support budget bids	15,000	-15,000
B2:F2	To other Arts support to correct budgets following 3% reduction	26,000	-26,000
C2:D3	To other Sports Support to provide funding for successful support budget bids	42,000	-42,000
C2:F2	To other Sports support to correct budgets following 3% reduction	43,000	-43,000
C2:I2	For the Hillsborough Independent Panel costs	320,000	-320,000
C2:D3	For the Hillsborough Independent Panel costs	13,000	-13,000
C2:H3	For the Hillsborough Independent Panel costs	33,000	-33,000
D2:F2	For Humanitarian Assistance to correct budgets following 3% reduction	150,000	-150,000
F2:I2	To partially cover the costs of the visit of Pope Benedict XVI	12,000	-12,000
G2:B2	Moving budget from Arts to Tourism to correct Estimate line	39,000	-39,000
J2:F2	For Taking Part Survey to partially correct budget following 3% reduction	100,000	-100,000
J2:F2	For End of Service costs to correct budget following 3% reduction	42,000	-42,000
J2:G3	For General Research to correct budget following 3% reduction	500,000	-500,000
J1:G3	Part of agreed Administration to Programme switch for the Government Olympic Executive	504,000	-504,000
J1:C3	Part of agreed Administration to Programme switch for the Government Olympic Executive	2,996,000	-2,996,000
J2:I2	For Taking Part Survey to partially correct budget following 3% reduction	500,000	-500,000

Introduction

Transfers to/from non-voted spending

A2:M3	From the MLA to correct contribution to IDeA	8,000	-8,000
A3:M3	From M3 additional funding for Wolfson Museums and Galleries improvement fund	841,000	-841,000
N3:B3	Decreasing "Own Art's" funding in line with 2010 savings	25,000	-25,000
N3:B3	Decreasing "Take it away's" funding in line with 2010 savings	45,000	-45,000
O3:B3	Re-allocation of 3% reduction to Sport England	11,000	-11,000
B5:M3	Reduced income from Department for Education (DfE) for Find Your Talent	2,646,000	-2,646,000
O3:C2	To Sport England for the Sport Website pilot	30,000	-30,000
O3:C3	From Dancelinks to Sport England for Multi-skills Clubs	50,000	-50,000
C3:O3	Free Swimming Resource funding from Sport England	4,817,000	-4,817,000
M3:D3	Agreed reduction realised from 2010 savings to meet British Library spending plans	4,000,000	-4,000,000
M3:F2	To Museums and Galleries sector to correct 3% reduction error	139,000	-139,000
M3:G3	Agreed funding reduction moved to cover the museums and galleries spending plans	896,000	-896,000
J2:N3	Reduction in Joint Research contributions by the Arts Council England	15,000	-15,000
<u>Increases in non-budget spending</u>			
O3	Increase in non-budget Grant in Aid for Sport England	1,400,000	
Q3	Increase in non-budget Grant in Aid for VisitBritain	1,400,000	
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
B2:B5	Increased income from the sale of prints	14,000	-14,000
B3:B5	Capital grant income allowing spend from DfE for the Poetry Archive	60,000	-60,000
C3:C5	Increased income from the Department of Health for Change4Life	750,000	-750,000
C5:C3	Reduced income from CLG for the Free Swimming programme	3,266,000	-3,266,000
C5:C3	Reduced income from DWP for the Free Swimming programme	6,531,000	-6,531,000

Introduction

C5:C3	Reduced income from DH for the Free Swimming programme	12,976,000	-12,976,000
F2:C5	Income from Council of Europe's Educational Planning Assessment System (EPAS) to partially cover the visit of Pope Benedict XVI	17,000	-17,000
D2:D5	Increased income allowing spending of flag flying events.	27,000	-27,000
H3:H5	Increased in Capital grant receipts from the Association of Television on Demand	26,000	-26,000
J1:J5	Increased income from the recovery of legal costs	14,000	-14,000
J1:J5	Increased income for the Government Olympic Executive	117,000	-117,000
J2:J5	Increased income from CLG for Olympic meta-evaluation	50,000	-50,000
J5:J2	Reduction in Joint research contributions by English Heritage	10,000	-10,000
O3:C5	Income from DfE for Sport Unlimited	4,500,000	-4,500,000
O3:C5	Income from Council of Europes EPAS scheme for UK Sport	4,000,000	-4,000,000
S3:K5	Increase in income to cover the National Lottery's increased legal costs	1,000,000	-1,000,000
C5:O3	Reduction in funding from DfE for Free Swimming	15,000,000	-15,000,000
	Totals	110,265,000	-67,407,000

Total RfR 1	42,858,000
--------------------	-------------------

Total change in resources for Estimate:	42,858,000
--	-------------------

Introduction

Changes in capital

Section Reason for Change

RfR 1: Improving the quality of life through cultural and sporting activities

Changes related to movements in budgets

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

B7:B8	Increased income from the Government Art Collection	47,000	-47,000
-------	---	--------	---------

Other changes

Transfers from capital grants to capital

A3:M3	From Museums and Galleries to Wolfson - match funding	841,000	-841,000
-------	---	---------	----------

<u>Totals</u>		888,000	-888,000
----------------------	--	----------------	-----------------

Total RfR 1			-
--------------------	--	--	----------

Total changes in capital for Estimate:			-
---	--	--	----------

- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £43,100,000.
- Symbols are explained in the Introduction to this booklet.

Department for Culture, Media and Sport

Part I

	£
Request for Resources 1: Improving the quality of life through cultural and sporting activities	42,858,000
Total additional net resource requirement	42,858,000
Additional net cash requirement	43,100,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Department for Culture, Media and Sport on:

RfR 1: Improving the quality of life through cultural and sporting activities

Support for national and other museums and galleries; the Government Indemnity Scheme; the British Library and other library and archive institutions and services; to the Arts and Sports Councils and for other arts, sports and media bodies and schemes; the Royal Palaces and Parks; historic buildings, ancient monuments and sites, certain public buildings, and national heritage and architecture, and VAT grant scheme for memorials; listed places of worship scheme; promotion of tourism; support to film bodies and projects; the Creative Economy; sponsorship of the music industry; the Welsh Fourth Channel Authority, the Office of Communications and certain broadcasting services, regulatory regimes and schemes;

support for alcohol, gambling, film and video licensing; related research, surveys and other services; central administration costs; expenses of the National Lottery Commission; commemorative services, memorials and Royal funerals; support for the provision of humanitarian assistance to those affected by major disasters; costs to support the sale of the Tote; costs to support delivery of the Olympic Games 2012 and associated non-cash items.

RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities

Payments to the British Broadcasting Corporation for broadcasting and other services and activities; and associated non-cash items.

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Improving the quality of life through cultural and sporting activities						
		9,008	-33,850	42,858		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Museums, galleries and libraries	6,953	980	-	980	7,933
B	Arts	-4,784	44	-2,572	2,616	-2,168
C	Sport	-13,570	-19,870	-32,502	12,632	-938
D	Architecture and the Historic Environment	7,587	-3,925	27	-3,952	3,635
F	The Royal Parks	19,799	-471	-	-471	19,328
G	Tourism	4,243	-1,861	-	-1,861	2,382
H	Broadcasting and media	224	-7	26	-33	191
I	Creative Economy	980	-941	-	-941	39
J	Administration, Research and other surveys	46,189	8,498	171	8,327	54,516
K	National Lottery Commission	-4,880	-	1,000	-1,000	-5,880
Non-Budget						
M	Museums, galleries and libraries	532,230	14,420	-	14,420	546,650
N	Arts	413,907	26,831	-	26,831	440,738
O	Sport	203,764	-17,322	-	-17,322	186,442
P	Architecture and the Historic Environment	173,328	-4,026	-	-4,026	169,302

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
Q Tourism	39,673	1,400	-	1,400	41,073
R Broadcasting and media	157,268	4,000	-	4,000	161,268
S National Lottery Commission	4,940	1,000	-	1,000	5,940
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
V DCMS Administration provisions	-	258	-	258	258
Total for Estimate:		9,008	-33,850	42,858	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	3,308	47	3,355
Non-Operating A in A	3,308	47	3,355
Net cash requirement	5,097,823	43,100	5,140,923

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Improving the quality of life through cultural and sporting activities									
	54,273	65,057	2,689,316	2,808,646	791,732	2,016,914	3,355	3,355	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Museums, galleries and libraries	-	264	9,184	9,448	1,515	7,933	-	3,308
B	Arts	-	818	1,442	2,260	4,428	-2,168	247	47
C	Sport	-	1,272	16,063	17,335	18,273	-938	-	-
D	Architecture and the Historic Environment	-	1,383	2,279	3,662	27	3,635	-	-
E	Listed places of worship scheme	-	250	14,469	14,719	-	14,719	-	-
F	The Royal Parks	-	34,328	-	34,328	15,000	19,328	1,358	-
G	Tourism	-	39	2,343	2,382	-	2,382	-	-
H	Broadcasting and media	-	22,565	72,737	95,302	95,111	191	-	-
I	Creative Economy	-	39	-	39	-	39	-	-
J	Administration, Research and other surveys	54,273	3,841	-	58,114	3,598	54,516	1,750	-
K	National Lottery Commission	-	-	-	-	5,880	-5,880	-	-
L	Olympics including OGD receipts for the ODA	-	-	1,600	1,600	647,900	-646,300	-	-
Non-Budget									
M	Museums, galleries and libraries	-	-	546,650	546,650	-	546,650	-	-
N	Arts	-	-	440,738	440,738	-	440,738	-	-
O	Sport	-	-	186,442	186,442	-	186,442	-	-

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
P	Architecture and the Historic Environment	-	-	169,302	169,302	-	169,302	-	-
Q	Tourism	-	-	41,073	41,073	-	41,073	-	-
R	Broadcasting and media	-	-	161,268	161,268	-	161,268	-	-
S	National Lottery Commission	-	-	5,940	5,940	-	5,940	-	-
T	Gambling, licensing and horseracing	-	-	486	486	-	486	-	-
U	London 2012	-	-	1,017,300	1,017,300	-	1,017,300	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
V	DCMS Administration provisions	-	258	-	258	-	258	-	-
RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities									
		-	-	3,123,467	3,123,467	-	3,123,467	-	-
Non-Budget									
A	Home broadcasting	-	-	3,123,467	3,123,467	-	3,123,467	-	-
Total for Estimate:									
	54,273	65,057	5,812,783	5,932,113	791,732	5,140,381	3,355	3,355	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	5,097,523	42,858	5,140,381
Voted capital items			
Capital	3,308	47	3,355
Less Non-operating A-in-A	3,308	47	3,355
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-7,500	-	-7,500
New provisions and adjustments to previous provisions	-	-258	-258
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-200	-	-200
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	500	500
Use of provisions	8,000	-	8,000
Total accruals to cash adjustments	300	242	542
Excess cash to be CFERd	-	-	-
Net Cash Requirement	5,097,823	43,100	5,140,923

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2010-11
Provision**
Net Administration Costs

RfR 1

51,488

RfR 2

-

Total Net Administration Costs
51,488
Net Programme Costs

RfR 1

1,965,426

RfR 2

3,123,467

Total Net Programme Costs
5,088,893
Total Net Operating Cost
5,140,381
of which:

Net Resource Requirement

5,140,381

Non-voted Expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget
5,665,619

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	5,140,381
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	5,140,381
<i>Adjustments to remove:</i>	
Capital grants	-4,580
European Union income related to capital grants	-
Voted expenditure outside the budget	-3,123,467
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	2,728,421
Unallocated resource provision	-
Other adjustments	914,864
Resource Budget (Budget)	5,655,619
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,551,083
Annually Managed Expenditure (AME)	4,104,536

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-6,692
Capital spending by non-departmental public bodies	684,484
Capital grants	4,580
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	5,700
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	876,133
Capital Budget (Budget)	1,564,205
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	573,986
Annually Managed Expenditure (AME)	990,219

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Jonathan Stephens, Permanent Head of Department

Request for Resources 2: Jonathan Stephens, Permanent Head of Department

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: Improving the quality of life through cultural and sporting activities

Administration	2,785
<i>of which:</i>	
Sale of goods and services	2,785
Programme	788,947
<i>of which:</i>	
Sale of goods and services	112,234
EU Income	21
Other grant income (including repayments of grants/subsidies)	663,629
Other income (including receipts)	13,063

Total RfR 1	791,732†
--------------------	-----------------

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts by the Government Art Collection from sale of prints, hire of transparencies, copyright fees, etc; recovery of ceremonial costs; recovery of costs for repairs to listed buildings; fees and charges for licences and receipts from concessionaires and sponsors; proceeds from the sale of properties; proceeds from the early release of office leases; recovery of legal fees and associated costs and proceeds from disposal of equipment; Royal Parks Agency fees and charges for licences, rents, gardening services, sports charges, unclaimed lost property, sponsorship and receipts for private use of telephones, and proceeds from the sale of properties; repayment of loans in connection with film development projects, fees for self help TV transmission licences, EU receipts; contributions from the BBC toward the cost of the Digital Britain programme; contributions from other government departments toward the cost of joint schemes; contributions from other government departments toward the costs of the Olympic Delivery Authority; receipts from the National Lottery Distribution Fund to meet the cost of its administration by the Department for Culture, Media and Sport and of the expenses of the National Lottery Commission; receipts from the National Lottery operator's licence fees; and recoveries from the issue of licensing certificates for gaming machines and operators of gaming establishments; recovery of costs and proceeds arising from the sale of the Tote; and receipts associated with the Olympic Games 2012

Total Operating A in A	791,732
-------------------------------	----------------

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

£'000

2010-11

RfR 1: Improving the quality of life through cultural and sporting activities

Programme	3,355
<i>of which:</i>	
Sale of assets	3,355

Total RfR 1	3,355†
--------------------	---------------

† 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	3,355
-----------------------------------	--------------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	4,396	5,244	90,863	1,460,220	1,551,083
<i>of which:</i>					
Administration budget	7,200	-	51,488	-	51,488
Capital DEL †	11,901	18,159	-643,406	1,217,392	573,986
Less Depreciation ††	-	-	-7,500	-120,606	-128,106
Total DEL	16,297	23,403	-560,043	2,557,006	1,996,963

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

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

Cash which may be retained to offset expenditure

£'000

Revised

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

795,087

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1 C3	Chess	45
RfR1 D3	Chatham Historic Dockyard Trust	91
RfR1 E2 & E3	Listed Places of Worship	14,719
RfR1 M3	Geffrye Museum	1,773
RfR1 M3	Horniman Museum and Gardens	4,518
RfR1 M3	Museum of Science and Industry in Manchester	5,612
RfR1 M3	Museums, Libraries and Archives Council	13,076
RfR1 N3	Arts Council of England	440,738
RfR1 O3	United Kingdom Anti Doping	6,247
RfR1 R3	UK Film Council	63,613

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR1 M3	British Museum ♦	50,343
RfR1 M3	Natural History Museum ♥	48,586
RfR1 M3	Imperial War Museum ♦	23,910
RfR1 M3	National Gallery ♥	28,201
RfR1 M3	National Maritime Museum ♥	19,002
RfR1 M3	National Museums and Galleries on Merseyside ♥	23,712
RfR1 M3	National Portrait Gallery ♥	7,577
RfR1 M3	National Museum of Science & Industry ♥	40,153
RfR1 M3	Tate Gallery ♥	55,429
RfR1 M3	Victoria & Albert Museum ♥	44,318
RfR1 M3	Wallace Collection ♥	4,212
RfR1 M3	Museum of Science & Industry in Manchester ♠	5,612
RfR1 M3	Sir John Soane's Museum ♥	1,169
RfR1 M3	Horniman Museum and Gardens ♠	4,518
RfR1 M3	Geffrye Museum ♥	1,773
RfR1 M3	Royal Armouries ♥	8,645
RfR1 M3	British Library ♥	106,308
RfR1 M3	Public Lending Right ♥	7,453
RfR1 M3	Museums, Libraries and Archives Council (MLA) ♥	13,076
RfR1 N3	Arts Council ♥	440,738
RfR1 O3	Sport England ♥	124,305
RfR1 O3	United Kingdom Sports Council ♥	54,667
RfR1 O3	United Kingdom Anti Doping ♥	6,247
RfR1 O3	Football Licensing Authority ♥	1,223
RfR1 P3	English Heritage ♥	131,004
RfR1 P3	Churches Conservation Trust ♠	3,005
RfR1 P3	Commission for Architecture & the Built Environment ♥	19,032
RfR1 P3	Royal Household ♠	16,261
RfR1 Q3	Visit Britain ♥	41,073
RfR1 R3	UK Film Council ♠	63,613
RfR1 R3	S4C ♠	97,655
RfR1 S3	National Lottery Commission ♥	5,940
RfR1 T3	The Gambling Commission ♥	486
RfR1 U3	Olympic Delivery Authority ♥	1,017,300

A notional grant-in-aid payment of £ 1 was also made to the National Heritage Memorial Fund in year.

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 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>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
B2	Transfer to the Department for Business, Innovation and Skills in respect of the School Gates project		-413,000
B2	Transfer to the Department for Education for DWP's costs associated with the Child Poverty Innovation fund		-4,183,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
O3	Increase in forecast for Income Support (under 60 years of age)	413,000,000	
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
C1:A1	Adjustment between subhead details resulting from an increase / decrease in near-cash requirement for the Health and Safety Executive	10,826,000	-10,826,000
<u>Transfers to/from non-voted spending</u>			
A2	Transfer to offset decreased non-voted expenditure forecast by the Independent Living Fund	60,000	
A5	Increase in NIF forecast Appropriations in Aid		-60,102,000
B2	Transfer to offset increased non-voted expenditure forecast by the Independent Living Fund		-44,000
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A5:A1	An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure	10,167,000	-10,167,000

Introduction

A5:A2	A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure	26,144,000	-26,144,000
C5:C1	An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure	13,505,000	-13,505,000
C5:C2	A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure	485,000	-485,000
D5:D1	A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Administrative expenditure	1,367,000	-1,367,000
D5:D2	A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure	128,000	-128,000
F5:F3	An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure	55,000,000	-55,000,000
G5:G3	An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure	95,000,000	-95,000,000
J5:J3	A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure	5,000,000	-5,000,000
K5:K3	An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure	5,000,000	-5,000,000

Token increases

Totals

635,682,000 -287,364,000

Total RfR 2

348,318,000

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Section Reason for Change

Changes related to movements in budgets

Transfers of budgetary cover to/from other government departments

A1	Transfer to the Security and Intelligence Agencies in respect of Information Assurance 'common good work'		-1,000,000
----	---	--	------------

Changes in Annually Managed Expenditure (AME)

C3	Increase in forecast for Pension Credit / Minimum Income Guarantee	407,000,000	
----	--	-------------	--

Introduction

Other changes

<u>Resource transfers from another Request for Resources</u>			
A1	Internal transfer from RfR5 to RfR3 to cover Information Assurance costs	1,000,000	
<u>Transfers to/from non-voted spending</u>			
A1	Reduction in DEL spending to reflect changes in Payday and Periodicity		-1,200,000
A2	Transfer to offset decreased non-voted expenditure forecast by The Office of the Pensions Ombudsman	60,000	
A2	Transfer to offset decreased non-voted expenditure forecast by The Pensions Advisory Service	226,000	
A2	Transfer to offset decreased non-voted expenditure forecast by The Pensions Regulator	14,495,000	
A2	Transfer to offset decreased non-voted expenditure forecast by The Office of the Pensions Ombudsman	15,000	
A5	Decrease in NIF forecast Appropriations in Aid	22,888,000	
<u>Increases in non-budget spending</u>			
G3	Decrease in Grant-in-Aid to The Pensions Advisory Service		-167,000
G3	Decrease in Grant-in-Aid to The Pensions Regulator		-31,493,000
G3	Increase in Grant-in-Aid to The Office of the Pensions Ombudsman	71,000	
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A5:A1	A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Administrative expenditure	1,731,000	-1,731,000
A5:A2	An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure	11,308,000	-11,308,000
<u>Totals</u>		458,794,000	-46,899,000
Total RfR 3		411,895,000	

Introduction

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Section Reason for Change

Other changes

<u>Increases in non-budget spending</u>			
G3	Increase in Grant-in-Aid to The Independent Living Fund	44,000	
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A5:A1	An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure	743,000	-743,000
A5:A2	A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure	75,000	-75,000
B5:B3	A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure	55,000	-55,000
<u>Totals</u>		917,000	-873,000
<u>Total RfR 4</u>		44,000	

RfR 5: Corporate contracts and support services

Section Reason for Change

Changes related to movements in budgets

<u>Machinery of Government changes</u>		
A1	MOG change - transfer of Corporate Services costs (IT, HR , Shared Services and associated staff costs) to Cabinet Office in respect of Directgov	-608,000
B1	MOG change - transfer of full cost (Excluding Corporate Services costs) of moving Directgov to the Cabinet Office	-28,377,000

Other changes

<u>Resource transfers to another Request for Resources</u>		
A1	Internal transfer from RfR5 to RfR3 to cover Information Assurance costs	-1,000,000

Introduction

<u>Resource transfers within the Request for Resources</u>		
A1:B1	Internal readjustments between Directgov Administration and Corporate Administration	2,642,000 -2,642,000
A5:B5	Internal readjustments between Directgov Appropriations in Aid and Corporate Appropriations in Aid	528,000 -528,000
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>		
A5:A1	An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure	48,247,000 -48,247,000
A5:A2	An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure	404,000 -404,000
<u>Totals</u>		51,821,000 -81,806,000
Total RfR 5		-29,985,000
Total change in resources for Estimate:		730,272,000

Changes in capital

Section Reason for Change

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

<u>Changes related to movements in budgets</u>		
<u>Other changes in DEL spending</u>		
A7:C7	Adjustments between subhead details resulting from an increase / decrease in near-cash requirement for the Health and Safety Executive	10,826,000 -10,826,000
<u>Changes in non-operating appropriations in aid (fully offset by changes in spending)</u>		
C8:C7	An increase in forecast Non-Operating Appropriations in Aid leading to an equivalent increase in Capital expenditure	55,000 -55,000
D8:D7	A decrease in forecast Non-Operating Appropriations in Aid leading to an equivalent decrease in Capital expenditure	9,000 -9,000
<u>Totals</u>		10,890,000 -10,890,000
Total RfR 2		-

Introduction

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Other changes

<u>Transfers to/from non-voted spending</u>			
A7	Transfer to offset increase in non-voted Capital expenditure forecast by The Pensions Advisory Service		-12,000
A7	Transfer to offset a decrease in non-voted Capital expenditure forecast by The Pensions Regulator	18,508,000	
<u>Totals</u>		18,508,000	-12,000
<u>Total RfR 3</u>			18,496,000

Section Reason for Change

RfR 5: Corporate contracts and support services

Other changes

<u>Changes in non-operating appropriations in aid (fully offset by changes in spending)</u>			
A8:A7	An increase in forecast Non-Operating Appropriations in Aid leading to an equivalent increase in Capital expenditure	725,000	-725,000
<u>Totals</u>		725,000	-725,000
<u>Total RfR 5</u>			-
<u>Total changes in capital for Estimate:</u>			18,496,000

- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £747,849,000.
-
- Symbols are explained in the Introduction to this booklet.

Department for Work and Pensions

Part I

£

Request for Resources 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	348,318,000
Request for Resources 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners ††	411,895,000
Request for Resources 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	44,000
Request for Resources 5: Corporate contracts and support services † ††	-29,985,000
Total additional net resource requirement	730,272,000
Additional net cash requirement †	747,849,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Department for Work and Pensions on:

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years

Child Maintenance and Enforcement Commission; associated central services; and the administration and operating costs of the Department and associated non-cash items.

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Assessment of entitlement to, calculation and payment of social security benefits to people of working age in accordance with the prevailing legislation and regulations; employment and training programmes, and payments of appropriate allowances, to help people back to work; compensation payments to the National Insurance Fund in respect of Statutory Sick and Statutory Maternity Pay; Social Fund loans and grants; temporary subsidies to employers; Grants, Grants in Aid, loans, and other payments through other Government departments and to private, public, and voluntary bodies, including Non-Departmental Public Bodies, promoting Department for Work and Pensions objectives;

temporary loan facility to Remploy Ltd; assistance and advice on employment service and labour market issues to international organisations; research; publicity; subsidies to housing, billing, levying and local authorities for administering the Housing Benefit and Council Tax Benefit; rent rebate; rent allowance; Council Tax Benefit; discretionary housing payments; compensation for dust related diseases; the Health and Safety Executive and Health and Safety Laboratory; Employment client group and Welfare and Wellbeing client group; support of cross-government initiatives related to employment; payments for

education; training and employment projects assisted by the European Union through the European Social Fund; exchange rate losses/gains on European Social Fund transactions; Programme losses and disallowances relating to European Social Fund projects; refunds to the European Union; the UK subscription to the International Labour Organisation; international educational training and employment programmes; measures to promote financial inclusion; and the administration and operating costs of the Department and associated non-cash items.

Part I

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Assessment of entitlement to, calculation and payment of, social security benefits to pensioners and to customers abroad in accordance with the prevailing legislation and regulations; Social Fund loans and grants; costs and payments associated with the collapse of private pension schemes; assist people to make plans for their retirement; research into pensions; private pensions industry regulatory work; programmes and new measures to help improve independence and social inclusion for older people; Grants, Grants in Aid, loans, and payments to private, public and voluntary bodies, including Non-Departmental Public Bodies, promoting Department for Work and Pensions objectives; payments made to the BBC in respect of over 75s free TV licence scheme; General Levy payments to the Pensions Regulator in respect of Public Sector Pension Schemes; and the administration and operating costs of the Department and associated non-cash items.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Assessment of entitlement to, calculation and payment of, social security benefits and/or National Insurance credits to people with disabilities and their carers in accordance with the prevailing legislation and regulations; Grants, Grant in Aid, loans, and other payments to private, public and voluntary bodies, including Non-Departmental Public Bodies, promoting Department for Work and Pensions objectives; and the administration and operating costs of the Department and associated non-cash items.

RfR 5: Corporate contracts and support services

Central services; measures to promote financial inclusion; collecting debt arising from overpayments of benefit and on behalf of other public and private sector bodies; payment of Grants to Local Authorities; administration and other operating costs of Directgov; provision of IT, employee and financial services to other public sector bodies; provision of an Independent Case Examination service; and the administration and operating costs of the Department and associated non-cash items.

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

† The functions of Directgov were transferred to the Cabinet Office on 1 April 2010. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government change are:

- a) for RfR5 the net resource requirement is decreased by £ 28,985,000;
- b) the net cash requirement is decreased by £ 28,886,000.

†† The reduction of net resources on RfR5 of £ 29,985,000 includes the transfer of £ 1,000,000 from RfR5 to RfR3.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need					
		606,256	257,938	348,318	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	1,896,186	47,197	96,413	-49,216	1,846,970
B Employment Programmes	1,507,931	-4,640	-	-4,640	1,503,291
C Health and Safety Executive	226,531	2,194	13,020	-10,826	215,705
D Health and Safety Laboratory	-99	-1,495	-1,495	-	-99
F European Social Fund and European Globalisation Fund	1	55,000	55,000	-	1
G European Social Fund payments in advance of receipts	-3	95,000	95,000	-	-3
<i>Support for Local Authorities</i>					
J European Social Fund	1	-5,000	-5,000	-	1
K European Social Fund payments in advance of receipts	1	5,000	5,000	-	1
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
O Income support (under 60 years of age)	7,236,833	413,000	-	413,000	7,649,833

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners					
		398,584	-13,311	411,895	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	27,213	23,173	-13,311	36,484	63,697
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
C Income support for the elderly and Pension Credit	8,071,237	407,000	-	407,000	8,478,237
Non-Budget					
G Payments to Executive Non-Departmental Public Bodies	79,436	-31,589	-	-31,589	47,847
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society					
		657	613	44	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	158,496	668	668	-	158,496
B Motability administration	2,015	-55	-55	-	2,015
Non-Budget					
H Disability Grants in Aid	348,000	44	-	44	348,044
RfR 5: Corporate contracts and support services					
		18,666	48,651	-29,985	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	746,591	49,685	49,179	506	747,097
B Directgov	30,491	-31,019	-528	-30,491	-
Total for Estimate:		1,024,163	293,891	730,272	

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
--	--------------------------	---------------------------------	---------------------	----------------------------	----------------------

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	247,210	19,267	266,477
Non-Operating A in A	292	771	1,063
Net cash requirement	81,105,063	747,849	81,852,912

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years								
439,012	-	-	439,012	2,611	436,401	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Child Maintenance and Enforcement Commission							
439,012	-	-	439,012	2,611	436,401	-	-	
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need								
2,701,990	1,058,518	45,929,398	49,689,906	2,427,216	47,262,690	50,248	338	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Administration							
2,394,232	64,137	52,660	2,511,029	664,059	1,846,970	38,284	-	
B	Employment Programmes							
-	894,336	608,955	1,503,291	-	1,503,291	-	-	
C	Health and Safety Executive							
274,356	56,474	-	330,830	115,125	215,705	10,173	327	
D	Health and Safety Laboratory							
33,402	5,449	-	38,851	38,950	-99	1,791	11	
E	Capital Grants							
-	-	4,500	4,500	-	4,500	-	-	
F	European Social Fund and European Globalisation Fund							
-	-	265,002	265,002	265,001	1	-	-	
G	European Social Fund payments in advance of receipts							
-	-	274,997	274,997	275,000	-3	-	-	
<i>Support for Local Authorities</i>								
H	Employment Programmes							
-	-	37,047	37,047	-	37,047	-	-	
I	Housing benefit and council tax benefit administration grants							
-	-	550,705	550,705	-	550,705	-	-	
J	European Social Fund							
-	-	10,001	10,001	10,000	1	-	-	
K	European Social Fund payments in advance of receipts							
-	-	20,001	20,001	20,000	1	-	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources						Capital	
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
L	Area Based Grants	-	-	49,300	49,300	-	49,300	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
M	Severe Disablement Allowance	-	177	891,755	891,932	40	891,892	-	-
N	Industrial injury benefits	-	-7	889,796	889,789	26,040	863,749	-	-
O	Income support (under 60 years of age)	-	28,381	7,670,146	7,698,527	48,694	7,649,833	-	-
P	Jobseekers allowance (income based)	-	-2,031	4,460,530	4,458,499	1,566	4,456,933	-	-
Q	Jobseekers allowance (contribution based)	-	-	962,149	962,149	962,148	1	-	-
R	Job Grant	-	-	47,466	47,466	-	47,466	-	-
S	Employment allowances	-	-	56,479	56,479	-	56,479	-	-
T	Other Expenditure	-	4,921	3,500	8,421	-	8,421	-	-
U	Employment and Support Allowance non contributory	-	57	1,261,309	1,261,366	593	1,260,773	-	-
V	In Work Credit	-	-	103,518	103,518	-	103,518	-	-
W	Return to Work Credit	-	-	27,109	27,109	-	27,109	-	-
<i>Support for Local Authorities</i>									
X	Housing benefit and council tax benefit subsidies	-	-	20,532,622	20,532,622	-	20,532,622	-	-
Y	Rent rebates	-	-	5,270,126	5,270,126	-	5,270,126	-	-
Z	Discretionary housing payments	-	-	20,000	20,000	-	20,000	-	-
Non-Budget									
AA	Statutory benefits (Statutory Sick Pay and Statutory Maternity Pay)	-	-	1,856,038	1,856,038	-	1,856,038	-	-

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
		Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
		1	2	3	4	5	6	7	8
AB	Working Age (Grant-in-Aid)	-	-	3,687	3,687	-	3,687	-	-
AC	IFRS Adjustments	-	6,624	-	6,624	-	6,624	-	-
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners									
		459,287	203,789	12,474,293	13,137,369	392,315	12,745,054	124,892	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Administration	459,287	-7,582	4,307	456,012	392,315	63,697	34,802	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
B	Pension benefits	-	-	81,573	81,573	-	81,573	-	-
C	Income support for the elderly and Pension Credit	-	-2,027	8,480,264	8,478,237	-	8,478,237	-	-
D	TV licences for the over 75s	-	-	569,038	569,038	-	569,038	-	-
E	Financial Assistance Scheme	-	213,398	-	213,398	-	213,398	-	-
Non-Budget									
F	Payments to the Social Fund	-	-	3,291,264	3,291,264	-	3,291,264	-	-
G	Payments to Executive Non-Departmental Public Bodies	-	-	47,847	47,847	-	47,847	90,090	-
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society									
		158,605	-2,192	19,454,718	19,611,131	34,203	19,576,928	-	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Administration	158,605	663	-	159,268	772	158,496	-	-
B	Motability administration	-	-	2,081	2,081	66	2,015	-	-

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
C	Attendance allowance	-	-1,151	5,336,575	5,335,424	3,284	5,332,140	-	-
D	Disability living allowance	-	905	12,100,868	12,101,773	30,081	12,071,692	-	-
E	Carer's allowance	-	-2,609	1,650,331	1,647,722	-	1,647,722	-	-
F	Vaccine Damage payments	-	-	720	720	-	720	-	-
G	Grants to independent bodies	-	-	16,099	16,099	-	16,099	-	-
Non-Budget									
H	Disability Grants in Aid	-	-	348,044	348,044	-	348,044	-	-
RfR 5: Corporate contracts and support services									
	1,069,511	885,314	10,000	1,964,825	364,128	1,600,697	91,337	725	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Administration	1,069,511	31,714	10,000	1,111,225	364,128	747,097	91,337	725
B	Directgov	-	-	-	-	-	-	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
C	Other Expenditure	-	1,594	-	1,594	-	1,594	-	-
Non-Budget									
D	IFRS Adjustments	-	852,006	-	852,006	-	852,006	-	-
Total for Estimate:									
	4,828,405	2,145,429	77,868,409	84,842,243	3,220,473	81,621,770	266,477	1,063	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	80,891,498	730,272	81,621,770
Voted capital items			
Capital	247,210	19,267	266,477
Less Non-operating A-in-A	292	771	1,063
Total net voted capital	246,918	18,496	265,414
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-525,195	-919	-526,114
New provisions and adjustments to previous provisions	-219,913	-	-219,913
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-3,000	-	-3,000
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	513,708	-	513,708
Increase (-) / Decrease (+) in creditors	127,883	-	127,883
Use of provisions	73,164	-	73,164
Total accruals to cash adjustments	-33,353	-919	-34,272
Excess cash to be CFERd	-	-	-
Net Cash Requirement	81,105,063	747,849	81,852,912

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

2010-11
Provision

Net Administration Costs

RfR 1	436,401
RfR 2	2,534,748
RfR 3	456,776
RfR 4	157,862
RfR 5	957,769

Total Net Administration Costs **4,543,556**

Net Programme Costs

RfR 1	-
RfR 2	42,871,904
RfR 3	8,997,014
RfR 4	19,419,066
RfR 5	642,928
Non-voted	84,637,592

Total Net Programme Costs **156,568,504**

Total Net Operating Cost

161,112,060

of which:

Net Resource Requirement	81,621,770
Non-voted Expenditure	84,642,592
Consolidated Fund Extra Receipts	-5,000

Reduction in planned spend unable to be included in Estimate -

Resource Budget

161,807,890

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	81,621,770
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	84,642,592
Consolidated Fund Extra Receipts in the OCS	-5,000
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-5,147,302
Net Operating Cost (Accounts)	161,112,060
<i>Adjustments to remove:</i>	
Capital grants	-15,900
European Union income related to capital grants	-
Voted expenditure outside the budget	-858,630
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	5,000
Resource consumption of non departmental public bodies	44,211
Unallocated resource provision	794,000
Other adjustments	727,149
Resource Budget (Budget)	161,807,890
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	8,730,218
Annually Managed Expenditure (AME)	153,077,672

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	265,414
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	51,828
Capital grants	15,900
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	135,187
Capital Budget (Budget)	468,329
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	243,052
Annually Managed Expenditure (AME)	225,277

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Leigh Lewis, Permanent Head of Department

Request for Resources 2: Leigh Lewis, Permanent Head of Department

Request for Resources 3: Leigh Lewis, Permanent Head of Department

Request for Resources 4: Leigh Lewis, Permanent Head of Department

Request for Resources 5: Leigh Lewis, Permanent Head of Department

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years

Administration	2,611
<i>of which:</i>	
Sale of goods and services	2,611
Total RfR 1	2,611†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from staff for private telephone calls and the private use of official vehicles; receipts in respect of outward secondments; receipts from the sale of non-capital items; receipts from customers for services provided by the Child Maintenance and Enforcement Commission; receipts from the collection of child maintenance arrears from non-resident parents relating to a period prior to October 2008 where the parent with care was in receipt of an income-related benefit, reduced by the relevant child maintenance disregard paid directly to the parent with care; receipts awarded from court cases; and receipts for services carried out on behalf of public and private sector bodies and members of the public.

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Administration	167,242
<i>of which:</i>	
Sale of goods and services	167,242
Programme	2,259,974
<i>of which:</i>	
Sale of goods and services	727,825
EU Income	570,001
Other income (including receipts)	962,148
Total RfR 2	2,427,216†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated cost of administering National Insurance benefits; receipts from staff for private telephone calls and private use of official vehicles; receipts in respect of outward secondments; receipts from the sale of non-capital items; receipts from match funded projects; receipts from Local Authorities for services provided to them, including Neighbourhood Renewal Funds, rent and similar receipts; receipts from outside bodies in respect of partnership working; receipts from the European Union for travel expenses and subsistence allowances incurred by staff on European Union business; receipts from partner organisations in respect of action teams; receipts from damages payable to recipients of Statutory Sick Pay; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; receipts from the Child Maintenance and Enforcement Commission in respect of maintenance payments from absent parents for parents with care who are in receipt of Income Support or Jobseekers Allowance (income based); receipts in respect of the functions of the Health and Safety Executive and Health and Safety Laboratory; receipts for the use of accommodation and rental income; receipts from property and land; sponsorship, including contributions from co-sponsors towards the costs of research and surveys carried out; receipts from the European Union to meet payments for training and employment projects and the provision of technical assistance through the European Social Fund; receipts from the European Globalisation Fund; Joint International Unit administration receipts; receipts for services carried out on behalf of public and private sector bodies and members of the public; proceeds from crime from Home Office in respect of benefit fraud and organised fraud; recovery from the European Union of the cost of work on European Employment Services and work undertaken on labour market issues in eastern Europe; recovery of excess payments made on Jobcentre Plus employment measures; recovery of the cost of administering allowance payments for work based learning for adults in Scotland and Wales; payments on return to work after a trade dispute made to people who would normally be excluded from Income Support because they are in full time work; payments made by liable relatives; payments from other Government departments; amounts collected through a court order or on a voluntary basis from relatives of Income Support claimants; repayment of Jobseekers Allowance (contribution based) from the National Insurance Fund; contributions and recoveries from the European Union of costs of research and projects, legal claims, including awards of court costs and out of court settlements; contribution from Scotland and Wales towards employment programmes and Employment Zones; refunds of advance of salaries of staff, and repayment of loans; and refunds from Local Authorities of Housing Benefit reform funding.

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Administration	2,511
<i>of which:</i>	
Sale of goods and services	2,511
Programme	389,804
<i>of which:</i>	
Sale of goods and services	334,023
Interest and dividends	10,000
Other income (including receipts)	45,781
Total RfR 3	392,315†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated costs of administering National Insurance benefits; receipts in respect of outward secondments; receipts for levy funded bodies; receipts from staff for private telephone calls and the private use of official vehicles; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; receipts from the sale of non-capital items; and receipts for services carried out on behalf of public and private sector bodies and members of the public.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Administration	743
<i>of which:</i>	
Sale of goods and services	743
Programme	33,460
<i>of which:</i>	
Sale of goods and services	33,460
Total RfR 4	34,203†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts in respect of outward secondments; receipts from staff for private telephone calls and the private use of official vehicles; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; receipts from the sale of non-capital items; receipts for services carried out on behalf of public and private sector bodies and members of the public; recoveries of payments towards Motability costs.

RfR 5: Corporate contracts and support services

Administration	111,742
<i>of which:</i>	
Sale of goods and services	111,742
Programme	252,386
<i>of which:</i>	
Sale of goods and services	252,386
Total RfR 5	364,128†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated cost of administering National Insurance benefits; receipts in respect of outward secondments; receipts from staff for private telephone calls and the private use of official vehicles; receipts from sub-let accommodation; receipts from sale of non-capital items; Early Departures pre-funding interest; receipts from foreign exchange transactions; receipts for services carried out on behalf of public and private sector bodies and members of the public including the provision of IT, employee and financial services to other Government departments; recovery of law costs from defendants.

Total Operating A in A	3,220,473
-------------------------------	------------------

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

£'000

2010-11

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	338
<i>of which:</i>	
Sale of assets	338

Total RfR 2 **338†**

† 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	725
<i>of which:</i>	
Sale of assets	725

Total RfR 5 **725†**

† 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.

Total Non-Operating A in A **1,063**

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-58,183	22,402	5,599,225	3,130,993	8,730,218
<i>of which:</i>					
Administration budget	-31,185	-	4,543,556	1,533,149	6,076,705
Capital DEL †	18,496	-18,496	191,224	51,828	243,052
Less Depreciation ††	-919	1,018	-254,880	-834	-255,714
Total DEL	-40,606	4,924	5,535,569	3,181,987	8,717,556

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	3,221,536
--	-----------

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

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

RfR/Section	Service	£'000
RfR3 A	Establishment and Development of Regional Forums on Ageing	145
RfR3 A	Active at 60 National Project	1,300

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR3 G	The Pensions Regulator ♥	39,795
RfR3 G	The Pensions Advisory Service ♥	3,891
RfR3 G	Office of the Pensions Ombudsman ♥	3,111
RfR3 G	Personal Accounts Delivery Authority ♥	1,050
RfR4 H	Independent Living Fund ♥	348,044
		<hr/> 395,891

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
Contingent Liabilities disclosed under IAS 37	
Remploy Limited	162,200
<p>The Secretary of State for Work and Pensions has given formal guarantee in respect of Remploy Limited, an Executive Non-Departmental Public Body. In the event of Remploy Limited becoming insolvent, the Secretary of State has agreed to pay Remploy Limited a sum equal to any and all of its remaining liabilities i.e. the excess of its liabilities over and above the proceeds from realisation of its assets. In addition to this guarantee over Remploy's net liabilities the Department also guarantees to cover any shortfall in its pension provision. As at 31 March 2009, the net current liabilities of Remploy were £6.3 million with the retirement benefits obligation amounting to £155.9 million.</p>	
Better Government for Older People (BGOP)	2,000
<p>This was an agreement between the Department and the Centre for Policy on Ageing (CPA) to support BGOP in carrying out the functions in their business plan. In addition to the funding the Department provided, it had also agreed to indemnify CPA, the host organisation, against any losses arising from BGOP activity to the sum of £1 million in any one year and, as the 'Consortium Agreement' year runs from October to September, £2 million in total. The hosting and indemnity agreements ended on 3 May 2009, but the Department is still aware that CPA is currently pursuing a claim via litigation, the outcome of which is still to be decided.</p>	
European Social Fund (ESF) Repayments	Unquantifiable
<p>As Managing Authority of the European Social Fund in England the Department has a potential liability in respect of ineligible claims for ESF programmes which operated during 2000-06. The ESF Audit Authority has produced a closure statement for each ESF programme which assesses the standard of financial management and control and the underlying level of error. An impairment provision of £52.7 million is included in these accounts, and it is believed to be sufficient in respect of the 2000-06 programme. However, it is possible that unforeseen financial corrections could be applied over and above existing amounts provided.</p> <p>Because of the complexity of EU regulations governing ESF and the rights of the European Commission and the European Court of Auditors to carry out audits on the 2000-06 ESF programme in future years so there is a possibility that unforeseen ineligible expenditure could be detected which cannot be recovered by the Department. The risk and likely amount of any unforeseen future liabilities cannot be assessed with any degree of certainty at this stage.</p>	
European Social Fund	Unquantifiable
<p>European Social Fund (ESF) grant enables Jobcentre Plus to add value or fund additional places to domestically funded projects. Grant claims are submitted through a local Government Office, which administers ESF on behalf of the European Community. The grant is based on payments to contracted providers. Shortfalls arise if a grant cannot be claimed on expenditure incurred. If this expenditure cannot be recovered from the provider, Employment Group incurs the cost. Because of the timescales involved for deriving any such shortfalls, at the time of producing these accounts, specific amounts cannot be ascertained.</p>	

Contingent liabilities

Nature of Liability	£'000
Contingent Liabilities disclosed under IAS 37	
Financial Assistance Scheme (FAS)	Unquantifiable
<p>In December 2007, the Government announced its intention for the Financial Assistance Scheme to take over payments of some fully funded pensions and other associated benefits in qualifying schemes and, in return, to take the assets of those pension schemes into Government (the FAS Review of Assets estimated the value of these assets to be £1.7 billion).</p> <p>Further regulations came into force on 2 April 2010 which enable the transfer of assets remaining in FAS qualifying schemes to the Government. As a result, the liabilities associated with FAS will increase as the assets transfer from individual schemes to Government. However, we have not increased the provision in 2009-10 for liabilities associated with asset transfers as no assets have been transferred to Government in 2009-10.</p>	
Vaccine Damage Payments	Unquantifiable
<p>Important changes to the Vaccine Damage Payments Scheme came into force on 16 June 2002. The level of disablement that is defined as severe was reduced from 80% to 60% and the period of time during which a claim can be made has been extended.</p> <p>These changes mean that some people who have been disallowed in the past may be able to make another claim under these new rules. These further claims had to be received by 16 June 2005. 395 claims were received by this deadline. Of these, 320 still have the right to request an appeal any time in the future should they wish to do so. There is no time limit for requesting Vaccine Damage Payment Appeals.</p> <p>Currently there are approximately 2,800 Vaccine Damage Payment claims (including those detailed above) which may have existing appeal rights. There is no means of establishing if, or when, these appeal rights may be exercised. It is therefore not currently possible to estimate the value or success of these claims and so no provision has been made in these accounts.</p>	
Deficiency Notices	25,600
<p>Each tax year, an exercise is performed to identify customers who have not paid, or been credited with, enough National Insurance contributions to provide entitlement towards State Pension for that year. Those customers of working age who are affected are issued with an invitation (Deficiency Notice), by Her Majesty's Revenue and Customs to pay contributions on a voluntary basis in order to make up any deficiency. Deficiency Notices were not sent out for the tax years 1996-97 to 2001-02. Between September 2004 and March 2010, The Pension, Disability and Carers Service contacted pensioner customers affected by the suspension of the Deficiency Notices. Customers who reached State Pension age between 6 April 1998 and 24 October 2004 (inclusive) were invited to consider paying voluntary contributions to provide them with the opportunity to improve their basic State Pension or qualify for one for the first time.</p> <p>As at 31 March 2010, State Pension arrears of £117.3 million had been paid out in relation to the pensioner exercise together with compensation of £11.9 million. Although the amounts are uncertain and the liability does not crystallise until customers make contact, current estimates of the possible future expected payments of State Pension arrears are £21.1m (with possible compensation of £4.5 million).</p>	

Contingent liabilities

Nature of Liability	£'000
Contingent Liabilities disclosed under IAS 37	
Underpayment of Extra Amount of Severe Disability	20,200
<p>Extra Amount for Severe Disability (EASD), is payable if a customer receives Attendance Allowance or the middle or higher rate of the care component of Disability Living Allowance (DLA). The criteria also require that they live 'alone'. Underpayments have been identified for some customers, where DLA/AA and Pension Credit are in payment but no record of the DLA/AA exists on the Income Support Computer System, therefore EASD has not been awarded. From a possible caseload of approximately 17,000 cases, a pilot of 1,000 cases has calculated by extrapolation possible further underpayments of £19 million with possible compensation payments of £1.2 million which will be dealt with during the period from May 2010 to March 2011.</p>	
Home Responsibilities Protection Error	Unquantifiable
<p>Home Responsibilities Protection (HRP) reduces the number of qualifying years required for a full basic State Pension if the person was receiving Child Benefit for a child under the age of 16. HRP should be recorded automatically on the Child Benefit payee's account on the National Insurance Recording System (NIRS) by means of a data feed from the Child Benefit Computer System. It emerged that there had been a significant weakness in the system in that many cases will have had to have been matched onto NIRS clerically because neither the individual's National Insurance number nor date of birth were included in the Child Benefit details. The errors mainly affected women. As a result the correct number of HRP years will not have been included in NIRS records for some customers and this will have an impact on State Pension entitlement. This weakness has now been removed for new claims to Child Benefit from 2000 where the person is required to provide their National Insurance number.</p> <p>A special exercise commenced in July 2009 to correct existing State Pension awards for women and this is due to be completed by June 2011. As at 31 March 2010, State Pension arrears of £18.1 million had been paid out in relation to this exercise, plus compensation of £0.4 million. The remaining future expected payments cannot be reliably measured because the exercise to date has focused on certain customer age cohorts that are not necessarily representative of the total qualifying population. For those customers in the age cohort (65-80) who were most likely to have entitlement to Child Benefit for the qualifying period, the figures are still to be assessed by the HRP Project. Possible estimated payments on this exercise prior to its completion in June 2011 are £64.1 million State Pension arrears with associated compensation in the order of £5.4 million, although there remains a significant degree of uncertainty in respect of this estimate.</p>	
Additional Pension errors	Unquantifiable
<p>Her Majesty's Revenue & Customs (HMRC) have identified a small number of cases with errors in the calculation of Additional Pension resulting in an incorrect payment of State Pension. Pension, Disability and Carers Service are planning to correct these cases and customers who are underpaid due to an incorrect calculation of their Additional Pension will have their award corrected and arrears/compensation paid where appropriate. Investigations are currently ongoing and therefore it is not possible to estimate the value of any liability at this stage.</p>	

Contingent liabilities

Nature of Liability	£'000
Contingent Liabilities disclosed under IAS 37	
DLA Exportability	Unquantifiable
<p>A decision made on 18 October 2007 by the European Court of Justice means that certain UK disability benefits are to be considered to be sickness benefits and consequently will be paid to some people who leave the UK to live in another European Economic Area (EEA) state or Switzerland providing they meet certain eligibility criteria. A provision has been created for those individuals who have met the eligibility criteria and have submitted a claim. This equates to 1,200 cases received to date. However, PDCS have no way of knowing at this stage how many potential customers will become eligible. The Agency has indicated that it cannot be certain of volumes until they have received a sample of actual cases (names and NINOs) and undertaken further analysis. Initial estimates suggest that the possible liability could be in the order of £33 million but there remains a significant element of uncertainty in respect of the number of invitees who may respond.</p>	
Lump sum compensation payments in respect of pneumoconiosis and certain other dust related diseases	Unquantifiable
<p>The Department was accountable for lump sum compensation payments in relation to pneumoconiosis and certain other dust related diseases. Payments due under the Pneumoconiosis etc (Workers' Compensation) Act 1979 compensate those suffering from certain dust diseases where, at the time of submitting their claim to the scheme, they are unable to claim compensation by way of civil action in the courts. Award of Industrial Injuries Disablement Benefit (IIDB) is a precondition for payments to all sufferers and most dependants under this scheme.</p> <p>Compensation payments due under the Child Maintenance and Other Payments Act 2008 are made through the Mesothelioma Scheme (2008). This scheme was introduced on the 1 October 2008 and compensates sufferers from mesothelioma who are not eligible for help from the 1979 Act. Payments made under this scheme are financed by recovery from civil damages paid to sufferers claiming under both schemes, and the expectation is that the net cost of this scheme to the Department will be £nil.</p> <p>The diseases covered by both schemes have a long latency period which makes the number of years over which claims will continue to be made unclear. No reliable estimate of the financial effect can therefore be given.</p>	
Transfer of State Pensions and Benefits	Unquantifiable
<p>The Transfer of State Pensions and Benefits Regulations 2007 allow for a person's rights which have accrued by virtue of National Insurance contributions to be transferred to the Pension Scheme for Officials and Servants of Community Institutions and a transfer payment made accordingly by the Department. Until the transfer value has been calculated, a contingent liability arises.</p>	
Employment Programmes	Unquantifiable
<p>Judicial review of geographic boundary issues may result in the Department needing to contribute an additional amount to Communities and Local Government to support the Working Neighbourhood Fund. The additional amount will not be known until the process is complete.</p>	

Contingent liabilities

Nature of Liability	£'000
<hr/> Contingent Liabilities disclosed under IAS 37	
Planned site exit	1,000

The Child Maintenance and Enforcement Commission had one contingent liability at 31 March 2010. It had no contingent liabilities at 31 March 2009. The contingent item at 31 March 2010 relates to costs associated with the Commission's planned exit from one of its sites; consultation with trade unions had commenced at the reporting date. The value of the contingent liability is estimated at £1.6 million and more than £1.0 million of the liability is expected to crystallise during 2010-11.

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: Overseeing the effective operation of the devolution settlement in Northern Ireland and representing the interests of Northern Ireland within the UK Government.			
<u>Section</u>	<u>Reason for Change</u>		
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
Transfer of resources from RfR1 to RfR2 to reflect the transfer of policing and justice to NI Executive following stage 2 devolution from 12 April 2010:			
A1	Transfers of funding from Central Administration - Admin Resource		-22,220,000
A2	Transfers of funding from Central Administration - Other Current Resource		-37,129,000
A5	Transfers of funding from Central Administration - A in A Resource	3,288,000	
B1	Transfers of funding from Ministers - Admin Resource		-2,876,000
C1	Transfers of funding to action restructuring of Northern Ireland Office - Admin Resource	9,301,000	
C2	Transfers of funding to action restructuring of Northern Ireland Office - Other Current Resource	12,294,000	
C5	Transfers of funding to action restructuring of Northern Ireland Office - operating A in A		-3,264,000
D1	Transfers of funding from Dept of the Director of Public Prosecutions - Admin Resource		-2,592,000
D2	Transfers of funding from Dept of the Director of Public Prosecutions - Other Current Resource		-32,880,000
D5	Transfers of funding from Dept of the Director of Public Prosecutions - A in A Resource	86,000	
E2	Transfers of funding from Forensic Science NI - Other current Resource		-11,629,000
E5	Transfers of funding from Forensic Science NI-A in A Resource	10,159,000	
F1	Transfers of funding from Criminal Justice - Admin Resource		-13,145,000
F2	Transfers of funding from Criminal Justice - Other Current Resource		-7,369,000
F3	Transfers of funding from Criminal Justice - Grants Resource		-3,150,000

Introduction

G2	Transfers of funding from Compensation Agency - Other Current Resource		-4,151,000
G5	Transfers of funding from Criminal Justice - operating A in A	300,000	
H1	Transfers of funding from Policing & Security - Admin Resource		-6,006,000
H2	Transfers of funding from Policing & Security - Other Current Resource		-27,808,000
H3	Transfers of funding from Policing & Security - Grants Resource		-2,356,000
H5	Transfers of funding from Policing & Security - operating A in A	3,244,000	
I2	Transfers of funding from Policing-Non Severance - Other Current Resource		-3,721,000
I3	Transfers of funding from Policing- Non Severance - Grants Resource		-1,950,000
J1	Transfers of funding from NI Prison Service - Admin Resource		-14,890,000
J2	Transfers of funding from NI Prison Service - Other Current Resource		-117,031,000
J3	Transfers of funding from NI Prison Service - Grants Resource		-290,000
J5	Transfers of funding from NI Prison Service - operating A in A	2,365,000	
K2	Transfers of funding from Youth Justice Agency - Other Current Resource		-20,174,000
K5	Transfers of funding from Youth Justice Agency - operating A in A	150,000	
L2	Transfers of funding from Central Admin - Other Current Resource		-2,010,000
L3	Transfers of funding from Central Admin - Grants Resource		-230,000
M3	Transfers of funding from Compensation Agency - Grants Resource		-13,356,000
N2	Transfers of funding from Youth Justice Agency - Other Current Resource		-1,862,000
O3	Transfers of funding from Police - Grants Resource		-775,284,000
P3	Transfers of funding from Police Pensions - Grants Resource		-99,303,000
Q3	Transfers of funding Police Ombudsman For NI - Grants Resource		-8,982,000
R3	Transfers of funding from Probation Board for NI - Grants Resource		-21,716,000
S3	Transfers of funding to NI Executive		-8,795,000
T3	Transfers of funding to action restructuring of Northern Ireland Office - Grants Resource		-382,000
U3	Transfers of funding from Criminal Justice Inspectorate - Grants Resource		-1,458,000
V2	Transfers of funding from Criminal Justice - Other Current Resource		-3,761,000

Introduction

<u>Totals</u>	41,187,000	-1,271,770,000
<u>Total RfR 1</u>		-1,230,583,000

RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998, Northern Ireland Act 2000 and the Northern Ireland Act

Section Reason for Change

Changes related to movements in budgets

Machinery of Government changes

A3	Transfers of funding from NI Court Service to NI Executive following devolution of Policing and Justice on 12 April 2010- Grants Resource	137,086,000
----	---	-------------

Other changes

Resource transfers to/from another Request for Resources

A3	Transfers of funding from Northern Ireland Office RfR1 to NI Executive following devolution of Policing and Justice on 12 April 2010- Grants Resource	1,230,583,000
----	---	---------------

Increases in non-budget spending

A3	Grants - Northern Ireland Consolidated Fund - Increase in cash grant required	200,331,000
----	---	-------------

<u>Totals</u>	1,568,000,000	-
<u>Total RfR 2</u>		1,568,000,000
<u>Total change in resources for Estimate:</u>		337,417,000

Introduction

Changes in capital

Section Reason for Change

RfR 1: Overseeing the effective operation of the devolution settlement in Northern Ireland and representing the interests of Northern Ireland within the UK Government.

Changes related to movements in budgets

Other changes in DEL spending

A7	Transfers of funding from Central Administration - Admin Resource		-4,515,000
C7	Transfers of funding to action restructuring of Northern Ireland Office - Admin Resource	375,000	
D7	Transfers of funding from Dept of the Director of Public Prosecutions - Admin Resource		-270,000
E7	Transfers of funding from Forensic Science NI - Admin Resource		-555,000
F7	Transfers of funding from Criminal Justice - Admin Resource		-2,598,000
G7	Transfers of funding from Compensation Agency - Admin Resource		-70,000
H7	Transfers of funding from Policing & Security - Admin Resource		-54,000
J7	Transfers of funding from NI Prison Service - Admin Resource		-27,500,000
K7	Transfers of funding from Youth Justice Agency - Admin Resource		-200,000
	<u>Totals</u>	375,000	-35,762,000
<u>Total RfR 1</u>			-35,387,000
<u>Total changes in capital for Estimate:</u>			-35,387,000

- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £334,414,000.
- Symbols are explained in the Introduction to this booklet.

Northern Ireland Office

Part I

	£
Request for Resources 1: Overseeing the effective operation of the devolution settlement in Northern Ireland and representing the interests of Northern Ireland within the UK Government. † †††	-1,230,583,000
Request for Resources 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998, Northern Ireland Act 2000 and the Northern Ireland Act 2009. †† ††††††	1,568,000,000
Total additional net resource requirement	337,417,000
Additional net cash requirement †††††	334,414,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the Northern Ireland Office on:

RfR 1: Overseeing the effective operation of the devolution settlement in Northern Ireland and representing the interests of Northern Ireland within the UK Government.

Expenditure on (including all associated non-cash items):

Central administrative services, Head of State related costs, VIP visits to Northern Ireland, the Bloody Sunday Inquiry, Reviews and Commissions arising from the Good Friday Agreement (incl NI Human Rights Commission), the Northern Ireland Act 1998, the Northern Ireland Act 2000, the Northern Ireland Act 2009, political development and inquiries, elections and boundary reviews, legal services, security, Victims of the Troubles including the work of the Independent Commission for the Location of Victims Remains, arms decommissioning, parading, police part time reserves, Civil Service Commissioners, compensation schemes under the Justice and Security (Northern Ireland) Act 2007 and Terrorism Act 2000 and certain other grants.

RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998, Northern Ireland Act 2000 and the Northern Ireland Act 2009.

Grants to the Northern Ireland Consolidated Fund and transfers of EU funds.

The **Northern Ireland Office** will account for this Estimate.

† In the Main Estimate RfR1 was titled "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".

†† In the Main Estimate RfR2 was titled "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".

††† The reduction in the net resource requirement for RfR1 of £1,230,583,000 is offset by a reallocation of resources to RfR2.

Part I

†††† From 12 April 2010, the Policing and Justice functions were transferred from the Northern Ireland Court Service to Northern Ireland Executive following Stage 2 devolution in Northern Ireland. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government change are:

- a) the net resource requirement for RfR2 is increased by £137,086,000;
- b) the net cash requirement is increased by £134,023,000.

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: Overseeing the effective operation of the devolution settlement in Northern Ireland and representing the interests of Northern Ireland within the UK Government.						
		-1,246,911	-16,328	-1,230,583		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Central Administration	56,061	-59,349	-3,288	-56,061	-
B	Ministers	2,876	-2,876	-	-2,876	-
C	Political Directorate	15,843	21,595	3,264	18,331	34,174
D	Department of the Director of Public Prosecutions	35,386	-35,472	-86	-35,386	-
E	Forensic Science Northern Ireland	1,470	-11,629	-10,159	-1,470	-
F	Criminal Justice	23,664	-23,664	-	-23,664	-
G	Compensation Agency	3,851	-4,151	-300	-3,851	-
H	Policing & Security	32,926	-36,170	-3,244	-32,926	-
I	Policing-Non Severance	5,671	-5,671	-	-5,671	-
J	Northern Ireland Prison Service	129,846	-132,211	-2,365	-129,846	-
K	Youth Justice Agency	20,024	-20,174	-150	-20,024	-
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
L	Central Administration	2,240	-2,240	-	-2,240	-
M	Compensation Agency	13,356	-13,356	-	-13,356	-
N	Youth Justice Agency	1,862	-1,862	-	-1,862	-

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
Non-Budget					
O Police	775,284	-775,284	-	-775,284	-
P Police Pensions	99,303	-99,303	-	-99,303	-
Q Police Ombudsman for Northern Ireland	8,982	-8,982	-	-8,982	-
R Probation Board for Northern Ireland	21,716	-21,716	-	-21,716	-
S Northern Ireland Policing Board	8,795	-8,795	-	-8,795	-
T Northern Ireland Human Rights Commission	2,026	-382	-	-382	1,644
U Criminal Justice Inspectorate	1,458	-1,458	-	-1,458	-
V Criminal Justice	3,761	-3,761	-	-3,761	-

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, Northern Ireland Act 2000 and the Northern Ireland Act 2009.

1,568,000 - **1,568,000**

Non-Budget

A Grants to the Northern Ireland Consolidated Fund	13,002,000	1,568,000	-	1,568,000	14,570,000
--	------------	-----------	---	-----------	------------

Total for Estimate: **321,089** **-16,328** **337,417**

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	35,827	-35,387	440
Non-Operating A in A	-	-	-
Net cash requirement	14,328,832	334,414	14,663,246

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Overseeing the effective operation of the devolution settlement in Northern Ireland and representing the interests of Northern Ireland within the UK Government.								
19,958	17,817	1,644	39,419	3,601	35,818	440	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Central Administration	-	-	-	-	-	-	
B	Ministers	-	-	-	-	-	-	
C	Political Directorate	19,958	17,817	-	37,775	3,601	440	
D	Department of the Director of Public Prosecutions	-	-	-	-	-	-	
E	Forensic Science Northern Ireland	-	-	-	-	-	-	
F	Criminal Justice	-	-	-	-	-	-	
G	Compensation Agency	-	-	-	-	-	-	
H	Policing & Security	-	-	-	-	-	-	
I	Policing-Non Severance	-	-	-	-	-	-	
J	Northern Ireland Prison Service	-	-	-	-	-	-	
K	Youth Justice Agency	-	-	-	-	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
L	Central Administration	-	-	-	-	-	-	
M	Compensation Agency	-	-	-	-	-	-	
N	Youth Justice Agency	-	-	-	-	-	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital	
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
	1	2	3	4	5	6	7	8
Non-Budget								
O	Police	-	-	-	-	-	-	-
P	Police Pensions	-	-	-	-	-	-	-
Q	Police Ombudsman for Northern Ireland	-	-	-	-	-	-	-
R	Probation Board for Northern Ireland	-	-	-	-	-	-	-
S	Northern Ireland Policing Board	-	-	-	-	-	-	-
T	Northern Ireland Human Rights Commission	-	-	1,644	1,644	-	1,644	-
U	Criminal Justice Inspectorate	-	-	-	-	-	-	-
V	Criminal Justice	-	-	-	-	-	-	-
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, Northern Ireland Act 2000 and the Northern Ireland Act 2009.								
		-	-	14,570,001	14,570,001	-	14,570,001	-
Non-Budget								
A	Grants to the Northern Ireland Consolidated Fund	-	-	14,570,000	14,570,000	-	14,570,000	-
B	European Institutions (Net)	-	-	1	1	-	1	-
Total for Estimate:								
	19,958	17,817	14,571,645	14,609,420	3,601	14,605,819	440	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	14,268,402	337,417	14,605,819
Voted capital items			
Capital	35,827	-35,387	440
Less Non-operating A-in-A	-	-	-
Total net voted capital	35,827	-35,387	440
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-28,860	26,760	-2,100
New provisions and adjustments to previous provisions	-17,418	17,418	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-319	319	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	40,000	17,435	57,435
Increase (-) / Decrease (+) in creditors	1,592	-	1,592
Use of provisions	29,608	-29,548	60
Total accruals to cash adjustments	24,603	32,384	56,987
Excess cash to be CFERd	-	-	-
Net Cash Requirement	14,328,832	334,414	14,663,246

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2010-11
Provision**
Net Administration Costs

RfR 1

16,751

RfR 2

-

Total Net Administration Costs
16,751
Net Programme Costs

RfR 1

19,067

RfR 2

14,570,001

Total Net Programme Costs
14,589,068
Total Net Operating Cost
14,605,819
of which:

Net Resource Requirement

14,605,819

Non-voted Expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget
35,816

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

**2010-11
Provision**

Net Resource Requirement (Estimates)	14,605,819
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	14,605,819
<i>Adjustments to remove:</i>	
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-14,570,001
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	58
Unallocated resource provision	-
Other adjustments	-60
Resource Budget (Budget)	35,816
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	35,876
Annually Managed Expenditure (AME)	-60

Reconciliation of capital expenditure between Estimates and Budgets

£'000

**2010-11
Provision**

Net Voted Capital (Estimates)	440
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	440
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	440
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Hilary Jackson, Director General of the Northern Ireland Office

Request for Resources 2: Hilary Jackson, Director General of the Northern Ireland Office

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

In discharging these responsibilities particular regard is given to:

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

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

† Responsibility for elements of RfR1 is transferred to the Northern Ireland Executive (NIE) and will be accounted for by the NIE Accounting Officer.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: Overseeing the effective operation of the devolution settlement in Northern Ireland and representing the interests of Northern Ireland within the UK Government.

Administration	3,207
<i>of which:</i>	
Sale of goods and services	3,207
Programme	394
<i>of which:</i>	
Sale of goods and services	394
Total RfR 1	3,601†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Recoupment of electoral expenses, receipts from the use of video conferencing facilities, fees and costs recovered or received for work done for other departments, freedom of information receipts, data protection act receipts, recovery of compensation paid, recoupment of grant funding, costs and fees awarded in favour of the crown and receipts arising from arms decommissioning. Fees and costs recovered or received for the use of the NIO estate.

Total Operating A in A	3,601
-------------------------------	--------------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-293,444	-869,832	34,174	1,702	35,876
<i>of which:</i>					
Administration budget	-51,813	-	16,751	-	16,751
Capital DEL†	-35,387	-36,076	440	-	440
Less Depreciation††	24,797	40,895	-2,100	-58	-2,158
Total DEL	-304,034	-865,013	32,514	1,644	34,158

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	3,601
--	-------

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

RfR/Section	Body	£'000
RfR 1 - T	Northern Ireland Human Rights Commission ♥	1,644

HM Treasury

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all

Section Reason for Change

Changes related to movements in budgets

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
	<u>Machinery of Government changes</u>		
A	A net reduction in Section A following the transfer of the Office of Government Commerce to the Cabinet Office (CO) of £755,000 comprising a transfer of administration costs to CO of £1,938,000 and transfers to Section A from Section C of £301,000 administration costs and £882,000 programme spending.		-755,000
C	A net reduction in Section C in respect of the transfer of OGC to CO of £20,431,000 comprising administration costs transfers of £20,019,000 (£23,919,000 gross spending less £3,900,000 appropriations in aid) to CO and £301,000 to Section A. Programme DEL transfers of £1,300,000 in appropriations in aid to CO and £882,000 to Section A and AME spending of £529,000 to CO.	5,200,000	-25,631,000

<u>Totals</u>	5,200,000	-26,386,000
----------------------	------------------	--------------------

<u>Total RfR 1</u>	-21,186,000
---------------------------	--------------------

<u>Total change in resources for Estimate:</u>	-21,186,000
---	--------------------

2. As a result of the above and associated non- cash adjustments, there is a decrease in the net cash requirement of £20,657,000.
3. Symbols are explained in the Introduction to this booklet.

HM Treasury

Part I

	£
Request for Resources 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all †	-21,186,000
Total additional net resource requirement	-21,186,000
Additional net cash requirement †	-20,657,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the HM Treasury on:

RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all

Economic, financial and related administration, including group shared services; expenses in connection with honours and dignities; expenditure of the Debt Management Office, including administration of the Public Works Loan Board, the Commission for the Reduction of National Debt and operational services for HM Treasury, other government departments and the Bank of England; administration and other related expenditure of the Office of Government Commerce, including management and disposal of the surplus civil estate; expenditure on a pilot scheme in connection with the provision of generic financial advice; payments under an indemnity guarantee in respect of Paymaster; expenditure on administration of Treasury related bodies; compensation payments arising from gilt administration; payments to other government departments; and associated non-cash items.

RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage

Manufacture, storage and distribution of coinage for use in the United Kingdom, actions to protect the integrity of coinage, and associated non-cash items.

RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers

Payments in respect of costs related to investment in and financial assistance to financial institutions; operational and other costs in respect of UK Financial Investments Limited, Infrastructure UK and the Asset Protection Agency; and associated non-cash items

The **HM Treasury** will account for this Estimate.

† As announced on 15th June 2010, most of the responsibilities of the Office of Government Commerce are to be transferred to the Cabinet Office (CO). The specific changes relating to this machinery of government transfer of the full financial year's provision are:

- a) the net resource requirement is decreased by £21,186,000;
- b) appropriations in aid are decreased by £5,200,000; and
- c) the net cash requirement is decreased by £20,657,000.

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: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all						
		-26,386	-5,200	-21,186		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Core Treasury and group shared services	114,455	-755	-	-755	113,700
C	Office of Government Commerce	23,393	-25,631	-5,200	-20,431	2,962
Total for Estimate:			-26,386	-5,200	-21,186	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	15,573,568	-	15,573,568
Non-Operating A in A	-	-	-
Net cash requirement	15,861,988	-20,657	15,841,331

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all								
129,888	9,905	-	139,793	12,954	126,839	3,300	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Core Treasury and group shared services							
115,034	6,558	-	121,592	7,892	113,700	2,700	-	
B	Debt Management Office							
12,239	3,000	-	15,239	5,062	10,177	600	-	
C	Office of Government Commerce							
2,615	347	-	2,962	-	2,962	-	-	
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage								
-	50,070	-	50,070	-	50,070	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	UK coinage: manufacturing costs							
-	19,200	-	19,200	-	19,200	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B	UK coinage: metal costs							
-	30,870	-	30,870	-	30,870	-	-	
RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers								
54,518	669,757	-	724,275	46,867	677,408	15,570,268	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	United Kingdom Financial Investments Limited							
5,350	-	-	5,350	-	5,350	-	-	
B	Asset Protection Agency							
39,168	-	-	39,168	39,167	1	-	-	
C	Infrastructure Finance Unit Limited							
10,000	-	-	10,000	7,700	2,300	42,000	-	

Part II: Revised subhead detail including additional provision

							£'000	
Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
D	Assistance to other financial institutions		-	-	-	-	3,024,000	-
E	Refinancing of Northern Rock		-	-	-	-	2,500,000	-
Non-Budget								
F	Other Expenditure		-	669,757	-	669,757	10,004,268	-
Total for Estimate:								
	184,406	729,732	-	914,138	59,821	854,317	15,573,568	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	875,503	-21,186	854,317
Voted capital items			
Capital	15,573,568	-	15,573,568
Less Non-operating A-in-A	-	-	-
Total net voted capital	15,573,568	-	15,573,568
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-6,725	-	-6,725
New provisions and adjustments to previous provisions	-671,617	529	-671,088
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-60	-	-60
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	91,319	-	91,319
Total accruals to cash adjustments	-587,083	529	-586,554
Excess cash to be CFERd	-	-	-
Net Cash Requirement	15,861,988	-20,657	15,841,331

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2010-11
Provision**
Net Administration Costs

RfR 1	118,834
RfR 2	-
RfR 3	7,651

Total Net Administration Costs	126,485
---------------------------------------	----------------

Net Programme Costs

RfR 1	8,005
RfR 2	50,070
RfR 3	669,757
Non-voted	-2,364,200

Total Net Programme Costs	-1,636,368
----------------------------------	-------------------

Total Net Operating Cost
-1,509,883
of which:

Net Resource Requirement	854,317
Non-voted Expenditure	14,800
Consolidated Fund Extra Receipts	-2,379,000

Reduction in planned spend unable to be included in Estimate	-
--	---

Resource Budget
-2,220,875

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	854,317
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	14,800
Consolidated Fund Extra Receipts in the OCS	-2,379,000
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	-1,509,883
<i>Adjustments to remove:</i>	
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-669,757
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	27,659
Resource consumption of non departmental public bodies	-
Unallocated resource provision	2,425
Other adjustments	-71,319
Resource Budget (Budget)	-2,220,875
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	186,083
Annually Managed Expenditure (AME)	-2,406,958

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	15,573,568
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-1,000,000
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	3,400
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-9,923,349
Capital Budget (Budget)	4,653,619
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	48,700
Annually Managed Expenditure (AME)	4,604,919

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Nicholas Macpherson, Permanent Head of Department

Request for Resources 2: Nicholas Macpherson, Permanent Head of Department

Request for Resources 3: Nicholas Macpherson, Permanent Head of the Department

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all

Administration	11,054
<i>of which:</i>	
Sale of goods and services	11,054
Programme	1,900
<i>of which:</i>	
Sale of goods and services	1,900

Total RfR 1	12,954†
--------------------	----------------

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: recoveries in respect of administration of the Treasury, including recharges for work on financial stability issues, charges for courses, services provided by the Economics in Government team and other officers loaned to other organisations, including the salary of the UK Executive Director of the International Monetary Fund/International Bank for Reconstruction and Development who is a Treasury employee; charges for services provided by the Government Social Research Unit; income from recovery actions in connection with Barlow Clowes; charges for services to government departments provided under the Financial Management Change Agenda; income from fees and charges to Foreign Investment Exchange/Clearing Houses; recoveries in respect of Honours and Dignities; income in respect of insurance sponsorship and supervision responsibilities; income due to the Debt Management Office for advertising costs, stock exchange listings, data provision, rentals in respect of operating leases, the management and administration of certain public and private funds and provision of a lending service to local authorities, income from the administration of carbon dioxide reduction schemes and the Gilt Purchase and Sale Service; administration of Pool Re and other related bodies; European Fast Stream income from the Cabinet Office; amounts arising from the sale of shares and debt; income from products, consultancy and other customer services, letting of vacant property, and the Buying Solutions dividend.

RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers

Administration	46,867
<i>of which:</i>	
Sale of goods and services	46,867

Total RfR 3	46,867†
--------------------	----------------

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from financial institutions and other organisations, including interest, fees, charges, reimbursements, recharges and dividends; payments from other government departments.

Total Operating A in A	59,821
-------------------------------	---------------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-20,657	-	152,359	33,724	186,083
<i>of which:</i>					
Administration budget	-21,957	-	126,485	11,109	137,594
Capital DEL †	-	-	45,300	3,400	48,700
Less Depreciation ††	-	-	-6,725	-	-6,725
Total DEL	-20,657	-	190,934	37,124	228,058

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	59,821
--	--------

Notes to the Main Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
Contingent liabilities limited by recourse to assets 1	
HM Treasury announced guarantee arrangements with effect from 1 January 2010 in respect of retail deposits and wholesale liabilities transferred to Northern Rock plc pursuant to the restructuring of the bank. On 24 February 2010 HM Treasury gave three months' notice to terminate the guarantee arrangements covering retail deposits in Northern Rock plc, and from 24 May 2010 retail deposits are no longer guaranteed, with the exception of fixed term deposits existing at 24 February 2010 which are guaranteed for the duration of their term. On 2 August 2010 HMT gave three months' notice to terminate the guarantee arrangements covering certain wholesale liabilities of Northern Rock plc. From 2 November 2010 wholesale liabilities of Northern Rock plc will no longer be guaranteed by HMT, with the exception of fixed term wholesale deposits in existence at 1 January 2010 which are guaranteed to maturity. (Treasury Minutes dated 25 January 2010, 2 June 2010 and 13 September 2010 and Written Ministerial Statement dated 24 February 2010)	1,440,000
HM Treasury has announced replacement guarantee arrangements with effect from 1 January 2010 to continue to safeguard certain borrowings and derivative transactions of, and certain wholesale deposits held in accounts with Northern Rock (Asset Management) plc, in each case existing immediately after the transfer became effective on 1 January 2010 and which were not transferred pursuant to the restructuring of the bank. (Treasury Minute dated 25 January 2010).	Up to £14,719,000
The Treasury has put in place guarantee arrangements to safeguard certain wholesale borrowings and deposits with Bradford & Bingley (29 September 2008 letters to Chair of PAC and TSC and Treasury minute of 30 March 2009).	5,500,000
HM Treasury has indemnified a scheme (Special Liquidity Scheme) to allow banks to swap temporarily their high quality mortgage-backed and other securities for Treasury Bills. Payment under the indemnity would only arise if the capital losses exceed any surplus accruing to the Bank of England over the duration of the scheme.	Up to 165,000,000
On 19 January 2009, HM Treasury authorised the Bank of England to purchase high quality private sector assets and UK Government debt purchased on the secondary market. The Government has indemnified the Bank of England and the fund specially created to implement the facility from any losses arising out of or in connection with the facility. (Letter to Treasury Select Committee 19 January 2009 and letter of 3 March to Governor of the Bank of England and Treasury Minute dated 9 November 2009)	Up to 250,000,000
<i>1 Contingent liabilities have been included in this category where the liability would be limited by recourse to assets if it were to crystallise. The amounts shown above are gross of any such offset. Contingent liabilities with recourse to assets have not been included.</i>	

Contingent liabilities

Nature of Liability	£'000
Contingent Liabilities related to the Asset Protection Scheme	
<p>In January 2009 the then Chancellor of the Exchequer announced the creation of the Asset Protection Scheme (APS), one of the major steps taken by the UK Government in response to the global financial crisis. Under the APS, HM Treasury provides protection in return for a fee against a proportion of future credit losses on a defined pool of assets to the extent that credit losses exceed a “first loss” amount, to be borne by the participating institution. The Government protection covers 90 per cent of the credit losses exceeding the amount of the first loss, with the institution retaining the residual 10 per cent exposure. The APS has been designed to draw a line under problems arising from impaired assets, by putting a floor to banks’ exposure to losses associated with these assets. This enables the healthier core of banks’ business to attract investments and deposits and make loans to creditworthy businesses and households. On 03 November 2009, the previous Government announced the conclusion of discussions with Lloyds and RBS regarding their participation in the APS: As a result of improved market conditions, LBG did not participate in the APS and instead raised additional private sector capital and paid a fee of £2.5bn to the Government for the implicit protection it had received during 2009. On 19 December 2009, RBS shareholders approved accession to the APS. This was under revised terms that improve incentives and deliver better risk-sharing with the private sector compared to the in-principle agreement reached in February 2009. RBS has insured an asset pool of £282bn, with a £60bn first loss piece. RBS's published its H1 results in August. This showed that the covered assets within the APS have been reduced from 230.5bn at the end of 2009 to £215.5bn as at 30 June 2010. Further details can be obtained at: http://files.shareholder.com/downloads/RBS/1012977717x0x394334/d21f7056-e168-4c4e-9d2b-a0a7ad046b28/RBS_InterimResults2010.pdf. The maximum contingent liability that the Treasury now faces is £140bn: $(£215.5bn - £60bn) * 90\% = £140bn$</p>	Up to 140,000,000
<p>To ensure RBS is adequately capitalised under the Financial Services Authority’s stress tests, the Treasury will also make available £8bn of contingent capital to RBS, in return for a premium of 4 per cent per annum. This commitment will be in place for 5 years, and can be ended by the firm with the consent of the Financial Services Authority. The contingent capital would, if drawn down, be injected in tranches in the form of B-shares, should the core tier one capital ratio of RBS fall below 5%. The fee may be satisfied in cash, or B-shares or deferred tax assets.</p>	8,000,000
Other Contingent Liabilities	
<p>HM Treasury has confirmed to the FSA its intention to take appropriate steps (should they prove necessary) to ensure that Northern Rock (Asset Management) plc will continue to operate above the minimum regulatory capital requirements (Treasury Minute dated 25 January 2010).</p>	Up to £1,600,000
<p>HM Treasury has guaranteed indemnities provided by Northern Rock plc and Northern Rock (Asset Management) plc for its new directors against liabilities and losses in the course of their actions whilst both entities are in public ownership (Treasury Minute dated 25 January 2010).</p>	Unquantifiable
<p>HM Treasury has guaranteed indemnities provided by UK Asset Resolution (UKAR) for its directors against liabilities and losses in the course of their actions whilst the entity is in public ownership (Treasury Minute dated 8 July 2010).</p>	Unquantifiable

Contingent liabilities

Nature of Liability	£'000
HM Treasury has guaranteed indemnities provided by United Kingdom Financial Investments for its new directors against liabilities and losses incurred in the course of their actions.	Unquantifiable
HM Treasury has made available guarantees to back banks' new short and medium term debt. They will be made available for terms of up to 36 months to help refinance maturing wholesale funding obligations as they fall due. (Treasury Minute 8 October 2008).	Up to 125,000,000
HM Treasury has confirmed to the FSA its intention to take appropriate steps (should they prove necessary) to ensure that Bradford & Bingley will continue to operate above the minimum regulatory capital requirements (Treasury Minute dated 2 June 2009).	Unquantifiable
HM Treasury has guaranteed indemnities provided by Bradford & Bingley for its new directors against liabilities and losses in the course of their actions. (Treasury Minute dated 2 June 2009)	Unquantifiable
HM Treasury has guaranteed indemnities provided by Infrastructure Finance Unit Limited for its new directors against liabilities and losses incurred in the course of their actions.	Unquantifiable
In January 2009, the Government undertook to establish a payment scheme for those Equitable Life policyholders who have suffered a disproportionate impact as a result of relevant maladministration. The previous Government commissioned Rt. Hon Sir John Chadwick to advise the Government on matters relevant to the relative losses and disproportionate impact suffered by current and former Equitable Life policyholders. The Coalition Government has a pledge to "implement the Parliamentary Ombudsman's recommendation: to make fair and transparent payments to Equitable Life policyholders, through an independent payment scheme, for their relative loss as a consequence of regulatory failure." HM Treasury published Sir John's advice on 22 July 2010, and the FST announced that he would consider his advice alongside representations of interested parties. Following this deliberation, the FST announced at Spending Review that the Government would spend in the region of £1.5bn on the Equitable Life Payments Scheme, including £1bn in the first three years of the Spending Review Period (October 2010 Spending Review),	Unquantifiable
Under the Dunfermline Building Society Compensation Scheme, Resolution Fund and Third Party Compensation Order 2009 the Treasury is required to appoint an Appointment Panel, which is responsible for appointing an independent valuer to perform the functions referred to in article 4 of that Order. The Panel is also responsible for removing the independent valuer from office on the ground of incapacity or serious misconduct. The Treasury has indemnified members of the Appointment Panel against any and all claims, losses, damages and liabilities incurred by Panel members in connection with or arising from their membership of the Panel and the performance of the Panel's functions.(Treasury Minute dated 2 November 2009)	Unquantifiable
An indemnity similar to those given to civil servants under the Civil Service Management Code has been given to the members of the board of Royal Mint Limited for the period between 16 July 2009 and 31 December 2009. The indemnity remains in place for one director who is a civil servant	Unquantifiable

Contingent liabilities

Nature of Liability	£'000
<p>The Treasury has made a commitment to provide the FSCS with a loan of up to £150 million in 2010-11 in order to pay compensation to eligible retail depositors in the Icelandic bank, Kaupthing Singer & Friedlander (KSF), whose accounts were not transferred to ING Direct. On 31 March 2011, any amount which has not be drawn under the facility will be cancelled.</p>	Up to £150,000
Statutory	
<p>Under the Northern Rock plc Compensation Scheme Order 2008 an independent valuer was appointed to assess what compensation, if any, is payable to former shareholders and others. On 30 March 2010 the valuer issued Assessment Notices and a Final Document, in which he concluded that no compensation is payable. Under the Order any affected party may request the valuer to reconsider his assessment, and may refer his revised assessment to the Financial Services and Markets Tribunal.</p>	Unquantifiable
<p>Under the Bradford & Bingley plc Compensation Scheme Order 2008 an independent valuer was appointed to assess what compensation, if any, is payable to former shareholders and others. On 5 July 2010 the valuer issued Assessment Notices and a Final Document, in which he concluded that no compensation is payable. Under the Order any affected party may request the valuer to reconsider his assessment, and may refer his revised assessment to the Financial Services and Markets Tribunal.</p>	Unquantifiable
<p>On 7 July 2009 the Dunfermline Building Society Compensation Scheme, Resolution Fund and Third Party Compensation Order 2009 (“the Order”) came into force. Under the Order HM Treasury is liable to pay to specified third parties any amount of compensation determined to be payable by the independent valuer appointed to perform the functions referred to in article 4 of that Order. (Treasury Minute dated 4 June 2009)</p>	Unquantifiable
<p>Pool Re and Pool Re (Nuclear) are responsible for arrangements for reinsurance of industrial and commercial property damage and consequential business interruption arising from terrorist attacks in Great Britain (excluding Northern Ireland). Treasury carries the contingent liability for these risks. These arrangements are given statutory authority under the Reinsurance (Acts of Terrorism) Act 1993.</p>	Unquantifiable

HM Revenue and Customs

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

RfR 1: Administering the tax system efficiently and in an even-handed way, making it easy for customers to get things right, helping individuals to get targeted financial support and other entitlements.

Section Reason for Change

Changes related to movements in budgets

	<u>Take up of Departmental Unallocated Provision</u>		
A1	Draw down of DEL non-voted DUP as voted administration costs to facilitate improvements to key operational activities.	38,335,000	
	<u>Transfers of budgetary cover to/from other government departments</u>		
A1	Transfer to the Cabinet Office Security and Intelligence Agencies, as HMRC's share of funding Information Assurance Activities.		-500,000

Other changes

	<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>		
A1:A5	To record increased levels of Administration costs and income.	65,000,000	-65,000,000
A2:A5	To record increased levels of programme costs and income.	14,000,000	-14,000,000
	<u>Totals</u>	117,335,000	-79,500,000

Total RfR 1	37,835,000
--------------------	-------------------

Introduction

RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.

Section Reason for Change

Other changes

Transfers to/from non-voted spending

A1	Transfer from voted Admin to non-voted DEL to effect changes under IFRS where assets are on HMRC's balance sheet in Estimates and Accounts but are off balance sheet in budgets.	-64,000
----	--	---------

Increases in non-budget spending

C2	Increase in voted Programme non-budget funds to effect changes under IFRS where assets are on HMRC's balance sheet in Estimates and Accounts but are off balance sheet in budgets.	65,000
----	--	--------

Totals

65,000	-64,000
--------	---------

Total RfR 2

1,000

Total change in resources for Estimate:

37,836,000

Changes in capital

Section Reason for Change

RfR 1: Administering the tax system efficiently and in an even-handed way, making it easy for customers to get things right, helping individuals to get targeted financial support and other entitlements.

Changes related to movements in budgets

Take up of Departmental Unallocated Provision

A7	Draw down of DEL non-voted DUP as voted capital costs to facilitate improvements to key operational activities	2,415,000
----	--	-----------

Total changes in capital for Estimate:

2,415,000

- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £40,186,000.
- Symbols are explained in the Introduction to this booklet.

HM Revenue and Customs

Part I

	£
Request for Resources 1: Administering the tax system efficiently and in an even-handed way, making it easy for customers to get things right, helping individuals to get targeted financial support and other entitlements.	37,835,000
Request for Resources 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.	1,000
Total additional net resource requirement	37,836,000
Additional net cash requirement	40,186,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the HM Revenue and Customs on:

RfR 1: Administering the tax system efficiently and in an even-handed way, making it easy for customers to get things right, helping individuals to get targeted financial support 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; Health in Pregnancy Grant; Saving Gateway; National minimum wage; collection of student loans; the operation of customs controls including prohibitions and restrictions; the provision of trade information;

the provision of resources to independent investigatory bodies (including the HMIC, IPCC and the police authorities) to facilitate the independent inspection of professional standards within the Department, the investigation of allegations of mis-conduct or criminal activities by Departmental staff and fulfilment of reciprocal complaints investigation arrangements with police authorities; the provision of incentive payments for e-filing; payments in respect of the Customs National Museum; grants to the voluntary and community sector; providing the business link portal; air travel carbon-offsetting; services to support the Welfare Reform Agenda; services to lenders as part of the Mortgage Income Verification scheme;

and for services provided to the department's information technology and wider markets' partners, other departments and public bodies including any assistance with investigations into terrorist incidents, and overseas tax administration and the activity in support of the UK Border Agency.

RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.

administration and the associated non-cash items incurred in the provision of valuation and other services for government departments and other public bodies by the Valuation Office Agency.

RfR 3: Providing payments in lieu of tax relief to certain bodies

Part I

transitional payments to charities, personal pensions, life assurance premium relief and residual payments for mortgage interest relief; and associated non-cash items.

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

rates paid by Her Majesty's Revenue and Customs in respect of non-domestic property occupied by accredited representatives of Commonwealth and foreign countries and certain international organisations and associated non-cash items.

RfR 5: Payments of Child Benefit, Child Trust Fund endowments, Health in Pregnancy Grant and Saving Gateway

Payments of Child Benefit, Child Trust Fund endowments, Health in Pregnancy Grant, Saving Gateway and the associated non-cash items.

The **HM Revenue and Customs** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Administering the tax system efficiently and in an even-handed way, making it easy for customers to get things right, helping individuals to get targeted financial support and other entitlements.					
		116,835	79,000	37,835	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	3,273,516	116,835	79,000	37,835	3,311,351
RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.					
		1	-	1	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	-3	-64	-	-64	-67
Non-Budget					
C IFRS items outside budgets	1	65	-	65	66
Total for Estimate:		116,836	79,000	37,836	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	241,481	2,415	243,896
Non-Operating A in A	3,847	-	3,847
Net cash requirement	16,040,831	40,186	16,081,017

Part II: Revised subhead detail including additional provision

							£'000	
Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Administering the tax system efficiently and in an even-handed way, making it easy for customers to get things right, helping individuals to get targeted financial support and other entitlements.								
3,720,725	240,000	435	3,961,160	532,039	3,429,121	234,575	3,685	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
3,720,725	118,731	435	3,839,891	528,540	3,311,351	206,075	3,685	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B Other administrative costs within AME								
-	54,281	-	54,281	-	54,281	-	-	
<i>e-filing incentive payments</i>								
-	-	-	-	-	-	-	-	
Non-Budget								
C Operational local clearance procedures								
-	3,500	-	3,500	3,499	1	-	-	
D IFRS items outside Budget								
-	63,488	-	63,488	-	63,488	28,500	-	
RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.								
219,225	69	-	219,294	219,292	2	9,321	162	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
219,225	-	-	219,225	219,292	-67	9,321	162	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B Administration								
-	3	-	3	-	3	-	-	

Part II: Revised subhead detail including additional provision

								£'000
Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
Non-Budget								
C	IFRS items outside budgets							
-	66	-	66	-	66	-	-	
RfR 3: Providing payments in lieu of tax relief to certain bodies								
-	-	180,000	180,000	-	180,000	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A	Payments in lieu of tax relief							
-	-	180,000	180,000	-	180,000	-	-	
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies								
-	42,600	-	42,600	2,300	40,300	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A	Payments of Local Authority rates							
-	42,600	-	42,600	2,300	40,300	-	-	
RfR 5: Payments of Child Benefit, Child Trust Fund endowments, Health in Pregnancy Grant and Saving Gateway								
-	-	12,520,001	12,520,001	-	12,520,001	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A	Children's benefits							
-	-	12,175,000	12,175,000	-	12,175,000	-	-	
B	Child Trust Fund Endowments							
-	-	200,000	200,000	-	200,000	-	-	
C	Health in Pregnancy Grant							
-	-	145,000	145,000	-	145,000	-	-	
D	Saving Gateway							
-	-	1	1	-	1	-	-	
Total for Estimate:								
3,939,950	282,669	12,700,436	16,923,055	753,631	16,169,424	243,896	3,847	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	16,131,588	37,836	16,169,424
Voted capital items			
Capital	241,481	2,415	243,896
Less Non-operating A-in-A	3,847	-	3,847
Total net voted capital	237,634	2,415	240,049
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-305,958	-65	-306,023
New provisions and adjustments to previous provisions	-54,281	-	-54,281
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-2,300	-	-2,300
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	34,148	-	34,148
Total accruals to cash adjustments	-328,391	-65	-328,456
Excess cash to be CFERd	-	-	-
Net Cash Requirement	16,040,831	40,186	16,081,017

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2010-11
Provision**

Net Administration Costs

RfR 1	3,586,485
RfR 2	-67
RfR 3	-
RfR 4	-
RfR 5	-

Total Net Administration Costs	3,586,418
---------------------------------------	------------------

Net Programme Costs

RfR 1	-157,364
RfR 2	69
RfR 3	180,000
RfR 4	40,300
RfR 5	12,520,001
Non-voted	2,000

Total Net Programme Costs	12,585,006
----------------------------------	-------------------

Total Net Operating Cost

16,171,424

of which:

Net Resource Requirement	16,169,424
Non-voted Expenditure	2,000
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-

Resource Budget

39,517,339

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	16,169,424
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	2,000
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	16,171,424
<i>Adjustments to remove:</i>	
Capital grants	-200,001
European Union income related to capital grants	-
Voted expenditure outside the budget	-63,555
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	23,609,471
Resource Budget (Budget)	39,517,339
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,737,260
Annually Managed Expenditure (AME)	35,780,079

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	240,049
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	200,001
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-28,500
Capital Budget (Budget)	411,550
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	211,549
Annually Managed Expenditure (AME)	200,001

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1:	Mike Eland, Director General, HM Revenue and Customs
Request for Resources 2:	Penny Ciniewicz, Acting Chief Executive of the Valuation Office Agency
Request for Resources 3:	David Hartnett, Permanent Secretary for Tax, HM Revenue and Customs
Request for Resources 4:	Penny Ciniewicz, Chief Executive of the Valuation Office Agency
Request for Resources 5:	Mike Eland, Director General, HM Revenue and Customs

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: Administering the tax system efficiently and in an even-handed way, making it easy for customers to get things right, helping individuals to get targeted financial support and other entitlements.

Administration	134,240
<i>of which:</i>	
Sale of goods and services	115,481
Regulatory licences, fines, penalties and taxes	18,759
Programme	397,799
<i>of which:</i>	
Sale of goods and services	397,664
Regulatory licences, fines, penalties and taxes	135

Total RfR 1	532,039†
--------------------	-----------------

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of law costs; recovery of the costs of administering the National Insurance Funds and collection of National Insurance contributions; subsidies for New Deal jobseekers employed; receipts for services provided to the Valuation Office Agency, government departments and other bodies including student loan, Welfare Reform Agenda and National Minimum Wage receipts; recovery of costs in respect of the Aggregates levy and of seconded and loan staff; charges for the special attendance of officers; and for international commitments; receipts from the sale of publications; from the sale of statistical services and certificates; and from estate management services, including rent receipts from other government departments and private tenants; receipts from the use of certain official cars; receipts from certain tax penalties; EC travelling expenses and receipts from the EC; receipts in respect of Shipbuilders' Relief and local clearance procedures under Single European Authorisations; receipts from insurance and compensation claims; receipts from the Asset Recovery Incentivisation scheme; and marine fuel relief, transaction fees from credit card payments; fees received for the money laundering regulatory regime; recoveries of overpayments in prior years; excess cash receipts; subscription fees relating to Business link; fees received for the Mortgage Income Verification scheme; and other miscellaneous administration and programme cost receipts.

RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.

Administration	219,292
<i>of which:</i>	
Sale of goods and services	219,292

Total RfR 2	219,292†
--------------------	-----------------

† 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.

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

Programme	2,300
<i>of which:</i>	
Sale of goods and services	2,300

Total RfR 4	2,300†
--------------------	---------------

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: payment of rates by accredited Commonwealth and foreign countries and certain international organisations; refunds from local authorities.

Total Operating A in A	753,631
-------------------------------	----------------

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

£'000

2010-11

RfR 1: Administering the tax system efficiently and in an even-handed way, making it easy for customers to get things right, helping individuals to get targeted financial support and other entitlements.

Programme	3,685
<i>of which:</i>	
Sale of assets	3,685

Total RfR 1	3,685†
--------------------	---------------

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

RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.

Programme	162
<i>of which:</i>	
Sale of assets	162

Total RfR 2	162†
--------------------	-------------

† 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	3,847
-----------------------------------	--------------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	37,771	-38,271	3,311,284	425,976	3,737,260
<i>of which:</i>					
Administration budget	37,771	-38,271	3,586,418	79,437	3,665,855
Capital DEL †	2,415	-2,415	211,549	-	211,549
Less Depreciation ††	-	-	-242,467	-	-242,467
Total DEL	40,186	-40,686	3,280,366	425,976	3,706,342

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

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

Cash which may be retained to offset expenditure

£'000

Revised

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

757,478

National Savings and Investments

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Reducing the cost to the taxpayer of government borrowing now and in the future and the leveraging of National Savings and Investment's core infrastructure and capabilities			
<u>Section</u>	<u>Reason for Change</u>		
1	<u>Changes related to movements in budgets</u>		
	<u>Take up of DEL end-year flexibility</u> Resources required to continue the delivery of the adding value strategy and the modernisation and simplification of infrastructure and products	6,000,000	
	<u>DEL Reserve claims</u> Resources required to continue the delivery of the adding value strategy and the modernisation and simplification of infrastructure and products	5,000,000	
	<u>Take up of Departmental Unallocated Provision</u> Resources required to continue the delivery of the adding value strategy and the modernisation and simplification of infrastructure and products	4,994,000	
	<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u> leveraging activity	900,000	-900,000
	<u>Changes in Annually Managed Expenditure (AME)</u> Increase to cover increase in provision	300,000	
	<u>Totals</u>	17,194,000	-900,000
Total RfR 1		16,294,000	
Total change in resources for Estimate:		16,294,000	

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £23,994,000.
3. Symbols are explained in the Introduction to this booklet.

National Savings and Investments

Part I

	£
Request for Resources 1: Reducing the cost to the taxpayer of government borrowing now and in the future and the leveraging of National Savings and Investment's core infrastructure and capabilities	16,294,000
Total additional net resource requirement	16,294,000
Additional net cash requirement	23,994,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 for expenditure by the National Savings and Investments on:

RfR 1: Reducing the cost to the taxpayer of government borrowing now and in the future and the leveraging of National Savings and Investment's core infrastructure and capabilities

Cost of delivery of National Savings and Investment operations and leveraged activities with other bodies including administration, operational, research and development, works, other payments and associated non-cash items.

The **National Savings and Investments** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Reducing the cost to the taxpayer of government borrowing now and in the future and the leveraging of National Savings and Investment's core infrastructure and capabilities					
		17,194	900	16,294	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	152,408	16,894	900	15,994	168,402
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
B Administration	5,000	300	-	300	5,300
Total for Estimate:		17,194	900	16,294	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	15,464	-	15,464
Non-Operating A in A	-	-	-
Net cash requirement	150,839	23,994	174,833

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Reducing the cost to the taxpayer of government borrowing now and in the future and the leveraging of National Savings and Investment's core infrastructure and capabilities								
175,580	12,800	-	188,380	7,178	181,202	15,464	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
175,580	-	-	175,580	7,178	168,402	464	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B Administration								
-	5,300	-	5,300	-	5,300	-	-	
Non-Budget								
C Administration								
-	7,500	-	7,500	-	7,500	15,000	-	
Total for Estimate:								
175,580	12,800	-	188,380	7,178	181,202	15,464	-	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	164,908	16,294	181,202
Voted capital items			
Capital	15,464	-	15,464
Less Non-operating A-in-A	-	-	-
Total net voted capital	15,464	-	15,464
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-15,483	-	-15,483
New provisions and adjustments to previous provisions	-	-300	-300
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-650	-	-650
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-400	-	-400
Increase (-) / Decrease (+) in creditors	-13,000	8,000	-5,000
Use of provisions	-	-	-
Total accruals to cash adjustments	-29,533	7,700	-21,833
Excess cash to be CFERd	-	-	-
Net Cash Requirement	150,839	23,994	174,833

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2010-11 Provision
Net Administration Costs	
RfR 1	168,402
Total Net Administration Costs	168,402
Net Programme Costs	
RfR 1	12,800
Total Net Programme Costs	12,800
Total Net Operating Cost	181,202
<i>of which:</i>	
Net Resource Requirement	181,202
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	173,702

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	181,202
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	181,202
<i>Adjustments to remove:</i>	
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-7,500
<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)	173,702
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	168,402
Annually Managed Expenditure (AME)	5,300

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	15,464
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-15,000
Capital Budget (Budget)	464
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	464
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Jane Platt, Permanent Head of the Department

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: Reducing the cost to the taxpayer of government borrowing now and in the future and the leveraging of National Savings and Investment's core infrastructure and capabilities

Administration	7,178
<i>of which:</i>	
Sale of goods and services	7,178
Total RfR 1	7,178†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from leveraging National Savings and Investment's core infrastructure and capabilities and associated contracts including rent receipts and other receipts such as loss recovery payments</i>	
Total Operating A in A	7,178

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	15,994	-4,994	168,402	-	168,402
<i>of which:</i>					
Administration budget	15,994	-4,994	168,402	-	168,402
Capital DEL†	-	-	464	-	464
Less Depreciation††	-	-	-2,983	-	-2,983
Total DEL	15,994	-4,994	165,883	-	165,883

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	7,178
--	-------

Cabinet Office

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Section Reason for Change

Changes related to movements in budgets

<u>Section</u>	<u>Reason for Change</u>	Amount (£)
<u>Take up of DEL end-year flexibility</u>		
B3	Drawdown for various capital grant programmes run by Office for Civil Society. Adjustment to increase Capital Grants within the Programme Budget	21,750,000
<u>DEL Reserve claims</u>		
B3	Drawdown on the Reserve for Grassroots Grants Adjustment to increase programme grants expenditure run by Office for Civil Society	18,000,000
B3	Drawdown on the Reserve for v Match Funding Adjustment to increase programme grants expenditure run by Office for Civil Society	8,828,000
A1	Drawdown on the Reserve from the Modernisation Fund to cover Estate Rationalisation and Early Departures Adjustment to increase Administration expenditure	10,475,000
B3	Drawdown on the Reserve from the Transition Fund to support civil society organisations in adapting to a changing funding environment. Adjustment to increase grants expenditure run by Office for Civil Society	10,000,000

Introduction

	<u>Machinery of Government changes</u>	
M1:M 5 O2	The transfer of function of Office of Government Commerce from HM Treasury Adjustment to increase Administration Budget in Resource DEL and new AME forecast	21,186,000
L1	The transfer of function of Directgov from Department for Work and Pensions Adjustment to increase Administration Budget in Resource DEL	28,985,000
N1:N2	The transfer of function of Political and Constitutional Reform from Ministry of Justice Adjustment to increase Administration and Programme Budget in Resource DEL	11,794,000
	<u>Transfers of budgetary cover to/from other government departments</u>	
A2	A Budget cover transfer to Security and Intelligence Agencies (SIA) to cover Information Assurance Adjustment to decrease Programme expenditure	-4,000,000
B1	A Budget cover transfer from Office for Civil Society to Department for Communities and Local Government to cover the costs of Government Office Network for their work on building the Big Society and supporting civil society organisations at a local level. Adjustment to decrease Administration expenditure	-290,000
	<u>Transfers from resource spending to capital spending (not capital grants)</u>	
B3:A7	Transfer from capital grants to non-current assets Capital DEL Adjustment decreases capital grants made by Office for Civil Society and increases capital expenditure in core Cabinet Office	-2,500,000
	<u>Changes in operating appropriations in aid (not offset by changes in spending)</u>	
M5	Dividends receivable from Buying Solutions within programme Resource DEL Adjustment to increase programme income	-900,000
	<u>Other changes in DEL</u>	
M2	In addition to the Machinery of Government transfer, an increase in purchase of goods and services relating to Office of Government Commerce Adjustment to increase programme expenditure	688,000

Introduction

<u>Changes in Annually Managed Expenditure (AME)</u>			
O2	Impairment of Loan to Bridges Social Entrepreneurs' Fund LP Adjustment to increase impairments in AME	332,000	
O2	Impairment for non-current assets due to market value index change Adjustment to increase impairments in AME	207,000	
O2	Provisions for Early Departures Adjustment to increase new provisions in AME	225,000	
O2	Provisions for Bad Debts Adjustment to increase new provisions in AME	429,000	
O2	Office of Government Commerce provisions excluded from Machinery of Government transfer Adjustment to increase new provisions in AME	207,000	
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
A1:A2	A transfer from Administration to Programme to cover core Cabinet Office programme spend Adjustment decreases Administration and increases programme within RDEL	14,000,000	-14,000,000
B3:A2	A transfer from current grants to programme within Resource DEL Adjustment decreases grants made by Office for Civil Society and increases programme expenditure in core Cabinet Office	11,000,000	-11,000,000
E1:A1	A transfer from Independent Offices - Civil Service Commissioners to core Cabinet Office Adjustment within Administration expenditure to bring in line with delegated budgets	126,000	-126,000
B3:J3	A transfer from Non voted Grant in Aid to core Office for Civil Society current grants expenditure Adjustment increases voted grants expenditure within RDEL and decreases non-budget grants to eNDPBs sponsored by the Office for Civil Society	1,700,000	-1,700,000
E1:J3	A transfer to the newly created eNDPB Civil Service Commission from the Independent Offices - Civil Service Commissioners Adjustment decreases voted Administration expenditure and increases non-voted programme grants within RDEL	485,000	-485,000

Introduction

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

M1:M 5	An increase in wages and salaries for Office of Government Commerce offset by Administration income Adjustment to increase Administration expenditure offset by Administration income	4,800,000	-4,800,000
A2:A5	Decrease in programme income relating to various management units within the Cabinet Office Adjustment to decrease programme expenditure offset by programme income	29,000,000	-29,000,000

Totals **194,217,000** **-68,801,000**

Total RfR 1 **125,416,000**

Total change in resources for Estimate: **125,416,000**

Changes in capital

Section Reason for Change

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Changes related to movements in budgets

Take up of DEL End-Year flexibility

A7	<u>DEL Reserve claims</u> Drawdown on the Reserve from the Modernisation Fund to cover Estate Rationalisation Adjustment to increase Capital expenditure	1,500,000	
----	--	-----------	--

Other changes

Transfers from resources to capital

A7:B3	A transfer from Capital Grants to non current assets Adjustment decreases capital grants made by Office for Civil Society and increases capital expenditure on non-current assets within core Cabinet Office	2,500,000	
-------	---	-----------	--

Totals **4,000,000** **-**

Total RfR 1 **4,000,000**

Total changes in capital for Estimate: **4,000,000**

- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £127,388,000.
- Symbols are explained in the Introduction to this booklet.

Cabinet Office

Part I

	£
Request for Resources 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives † †† †††	125,416,000
Total additional net resource requirement	125,416,000
Additional net cash requirement † †† †††	127,388,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 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 Deputy Prime Minister's Office; the Offices of Ministers in the Cabinet Office; the Office of the Cabinet Secretary and Head of the Home Civil Service; Propriety and Ethics and Private Office Group; Office of the Parliamentary Counsel and the Offices of the parliamentary business managers; Honours and Appointments; European and Global Issues Secretariat which includes: European and Global Issues and Economic Policy Issues; Domestic Policy Group which includes: Economic and Domestic Affairs Secretariat and Strategy Unit; National Security Secretariat which includes: Intelligence Security and Resilience, Foreign Policy, Office of Cyber Security, Civil Contingencies Secretariat, Strategy and Counter Terrorism and Security and Intelligence; Joint Intelligence Organisation which includes: Joint Intelligence Committee Chairman and Assessment Staff; Efficiency and Reform Group which includes: Civil Service Capability Group, Office of Government Commerce, Office of Government CIO and SIRO, Government Communications, Office for Civil Society and Directgov; Social Exclusion Task Force; Corporate Services Group which includes: Human Resources, ICT, Finance and Estates, Knowledge and Information Management and Scheme Management Executive (Civil Service Pensions);

Political and Constitutional Reform which includes: costs in relation to constitutional offices; Privy Council Office; re-imburement of Lord Lieutenants' expenses; constitutional issues; electoral policy and administration, including costs in relation to the policy on the conduct of all UK Parliamentary and European elections and certain referendums in the UK, and the administration of payments to returning officers from the Consolidated Fund; payments relating to the Representation of the People Act 1983 and other electoral legislation; costs arising from the implementation of Individual Electoral Registration, including set up costs of data matching pilots; policy on the financing and regulation of political parties; Parliamentary Boundary Commissions for England and Wales; research into constitution settlement/devolution, including costs of a Commission to consider the West Lothian Questions; cost associated with a programme of constitutional and political reform, including recall of MPs and a statutory register of lobbyists; costs associated with House of Lords reform and of a written constitution exercise;

Payments of grants and grant-in-aid to organisations promoting departmental objectives; grants-in-aid to not-for-profit organisations including the Civil Service Benevolent Fund, the Civil Service Retirement Fellowship, the Civil Service Sports Council, the Chequers Trust and to the executive Non-Departmental Public Bodies, Capacity Builders (UK) Limited, the Commission for the Compact Limited and Civil Service Commission; grants to organisations working in the civil society and to local authorities and to other organisations including the Disability Partnership and the Whitehall and Industry Group;

Part I

Payments to and income from other government departments in relation to programmes supporting the department's objectives; special payments; expenditure on and income from loans; expenditure on capital assets; payments to former Prime Ministers; the central management of, and delivery of services to, the Civil Service and wider public sector; improving public services; Civil Service reform; cross-departmental IT systems; co-ordination of cross cutting issues; the administration and operation of the department and associated non cash items.

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

† The functions of the Office of Government Commerce (OGC) and its executive agency, Buying Solutions, were transferred from HM Treasury in the announcement made on 15 June 2010. Within the overall changes sought in this Estimate, the specific changes relating to this Machinery of Government change are:

- a) the net resource requirement for RfR1 is increased by £ 21,186,000;
- b) operating appropriations in aid for RfR1 are increased by £ 5,200,000; and
- c) the net cash requirement is increased by £ 20,657,000.

†† The functions of DirectGov were transferred from the Department for Work and Pensions on 1 April 2010. Within the overall changes sought in this Estimate, the specific changes relating to this Machinery of Government change are:

- a) the net resource requirement for RfR1 is increased by £ 28,985,000; and
- b) the net cash requirement is increased by £ 28,886,000.

††† The functions of political and constitutional reform were transferred from the Ministry of Justice in an announcement on 2 June. Within the overall changes sought in this Estimate, the specific changes relating to this Machinery of Government change are:

- a) the net resource requirement for RfR1 is increased by £ 11,794,000;
- b) the net cash requirement is increased by £ 11,794,000.

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: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives					
		107,316	-18,100	125,416	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Cabinet Office	168,541	-11,399	-29,000	17,601	186,142
B Office for Civil Society	128,543	46,488	-	46,488	175,031
E Independent Offices - Civil Service Commissioners	1,170	-611	-	-611	559
Non-Budget					
J Executive NDPBs	34,155	-1,215	-	-1,215	32,940
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
L Direct Gov	-	28,985	-	28,985	28,985
M Office of Government Commerce	-	31,345	10,900	20,445	20,445
N Constitution Group	-	11,794	-	11,794	11,794
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
O Provisions	-	1,929	-	1,929	1,929
Total for Estimate:		107,316	-18,100	125,416	

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
--	--------------------------	---------------------------------	---------------------	----------------------------	----------------------

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	4,493	4,000	8,493
Non-Operating A in A	20	-	20
Net cash requirement	325,906	127,388	453,294

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital	
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
	1	2	3	4	5	6	7	8
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives								
	269,190	49,846	200,726	519,762	49,635	470,127	8,493	20
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Cabinet Office							
	195,202	26,766	2,909	224,877	38,735	186,142	8,493	20
B	Office for Civil Society							
	4,075	6,685	164,271	175,031	-	175,031	-	-
C	Social Exclusion Task Force							
	817	-	-	817	-	817	-	-
D	Committee on Standards in Public Life - ANDPB							
	628	-	-	628	-	628	-	-
E	Independent Offices - Civil Service Commissioners							
	559	-	-	559	-	559	-	-
F	Independent Offices - Commissioner for Public Appointments							
	668	-	-	668	-	668	-	-
G	Independent Offices-Advisory Committee on Business Appts-ANDPB							
	199	-	-	199	-	199	-	-
H	Independent Offices - House of Lords Appts Commission - ANDPB							
	184	-	-	184	-	184	-	-
<i>Support for Local Authorities</i>								
I	London Fire and Emergency Planning Authority							
	-	-	606	606	-	606	-	-
Non-Budget								
J	Executive NDPBs							
	-	-	32,940	32,940	-	32,940	-	-
K	Cabinet Office Service Concessions							
	-	9,200	-	9,200	-	9,200	-	-

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
1	2	3	4	5	6	7	8
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
L	Direct Gov						
	28,985	-	-	28,985	-	28,985	-
M	Office of Government Commerce						
	30,657	688	-	31,345	10,900	20,445	-
N	Constitution Group						
	7,216	4,578	-	11,794	-	11,794	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
O	Provisions						
	-	1,929	-	1,929	-	1,929	-
Total for Estimate:							
	269,190	49,846	200,726	519,762	49,635	470,127	8,493
							20

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	344,711	125,416	470,127
Voted capital items			
Capital	4,493	4,000	8,493
Less Non-operating A-in-A	20	-	20
Total net voted capital	4,473	4,000	8,473
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-27,526	-638	-28,164
New provisions and adjustments to previous provisions	-	-961	-961
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-278	-	-278
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-429	-429
Increase (-) / Decrease (+) in creditors	3,326	-	3,326
Use of provisions	1,200	-	1,200
Total accruals to cash adjustments	-23,278	-2,028	-25,306
Excess cash to be CFERd	-	-	-
Net Cash Requirement	325,906	127,388	453,294

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2010-11
Provision**
Net Administration Costs

RfR 1

225,317

Total Net Administration Costs

225,317
Net Programme Costs

RfR 1

244,810

Non-voted

102,200

Total Net Programme Costs

347,010
Total Net Operating Cost

572,327
of which:

Net Resource Requirement

470,127

Non-voted Expenditure

102,200

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget

516,304

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2010-11 Provision
Net Resource Requirement (Estimates)	470,127
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	102,200
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	572,327
<i>Adjustments to remove:</i>	
Capital grants	-60,664
European Union income related to capital grants	-
Voted expenditure outside the budget	-9,200
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-2,000
Unallocated resource provision	-
Other adjustments	15,841
Resource Budget (Budget)	516,304
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	515,575
Annually Managed Expenditure (AME)	729

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2010-11 Provision
Net Voted Capital (Estimates)	8,473
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	2,000
Capital grants	60,664
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	71,137
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	71,137
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Sir Gus O' Donnell, Principal Accounting Officer and Permanent Head of Department

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Administration	43,873
<i>of which:</i>	
Sale of goods and services	43,873
Programme	5,762
<i>of which:</i>	
Sale of goods and services	3,562
Interest and dividends	2,200
Total RfR 1	49,635†

† 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 Office for Civil Society programmes; income in respect of central management costs of the Principal Civil Service Pension Scheme (PCSPS); recovery of costs of staff on secondment and loan; Emergency Planning College receipts; recovery of costs from other government departments for cost sharing arrangements; recoveries in respect of Honours and Appointments;

other grant income including repayments of grants and subsidies; income from sale of publications; recoveries from non-departmental public bodies; income in respect of Fast Stream programme; receipts from sale or use of rights and assets; rental income and receipts from property and land; receipts from sale of non-capital assets; interest receivable from the private sector; Office of Government Commerce income from products, consultancy and other customer services, and the Buying Solutions dividend and certain other services.

Total Operating A in A	49,635
-------------------------------	---------------

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

£'000

2010-11

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Programme	20
<i>of which:</i>	
Loan, etc, repayments	20
Total RfR 1	20†

† Amount that may be applied as non-operating appropriations in aid, arising from: repayment of loan principal by the London Hostels Association and by Bridges Social Entrepreneurs' Fund LP; proceeds from the sale of non-current assets.

Total Non-Operating A in A	20
-----------------------------------	-----------

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	105,452	100,985	365,394	150,181	515,575
<i>of which:</i>					
Administration budget	53,858	-	225,317	10,400	235,717
Capital DEL †	23,250	-	69,137	2,000	71,137
Less Depreciation ††	-99	-	-27,625	-	-27,625
Total DEL	128,603	100,985	406,906	152,181	559,087

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	49,655
--	--------

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

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

RfR/Section	Service	£'000
RfR1 A	Pension payments	8
RfR1 A	Grants made by the Cabinet Office	2,901
RfR1 I	London Fire and Emergency Planning Authority	606
RfR1 J	Grant in Aid to ENDPBs	32,940

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

RfR/Section	Body	£'000
RfR1 J	Capacity Builders (UK) Limited - ENDPB ♥	30,855
RfR1 J	Commission for the Compact Limited - ENDPB ♥	1,600
RfR1 J	Civil Service Commission - ENDPB ♥	485

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
Futurebuilders	
<p>The Cabinet Office has a contingent liability to Futurebuilders England Limited. This relates to the Futurebuilders grant programme and represents offers of loans and grants to future investees, which have been approved by the Futurebuilder's Board, where a commitment is measurable and there is reasonable certainty of disbursement. The audited liability at 31 March 2010 amounted to £49.489 million, of which £42.218 million was capital and £7.271 million resource. The contract with Futurebuilders England Limited runs to 31 March 2011 and the remainder of this liability is expected to crystallise during 2010-11.</p>	49,489
Constitution Group	
<p>Upon transfer of responsibility for political and constitutional reform from the Ministry of Justice (MoJ) to the Cabinet Office, the Cabinet Office has assumed responsibility for the following unquantifiable contingent liabilities:-</p>	
Acting Returning Officers - General Election 2010	
<p>MoJ has provided an indemnity to the Acting Returning Officers in respect of the 2010 General Election for any costs which fall outside of the scope of the insurance cover which they have arranged locally and where all other forms of recourse have been exhausted. It will be largely confined to covering "Acts of God" and unforeseen circumstances which are not included under the insurance policies which the Acting Returning Officers have in place.</p> <p>This indemnity will be limited to the extent that:- a) it will not cover costs which arise in whole or part from any deliberate or wilful negligence by an Acting Returning Officer; b) it will not generally cover any excess costs which the Acting Returning Officer has negotiated on his/her insurance policy (although individual claims for excess costs will be judged on their merit); and c) it will not cover situations where the Acting Returning Officer's insurance policy offers an alternative means of cover. The indemnity will remain in place until 3rd July 2011, being 13 months after the latest possible date for the 2010 general election to have been called. The indemnity covers all claims made within that period, regardless of when they are finally settled. (Minute laid on 22 March 2010)</p>	unquantifiable
Regional and Local Returning Officers - European Parliamentary Elections June 2009	
<p>The MoJ has provided an indemnity to Regional and Local Returning Officers for the European Parliamentary Elections held in June 2009. The indemnity is for amounts not covered by commercial insurance policies taken out by the MoJ. The indemnity provides unlimited cover for amounts excluded by the excess on insurance policies, damages or costs that exceed insurance limits and any reasonable expenses that fall outside of the scope of insurance policies. The indemnity is effective for the period of the insurance policies from 12 May 2009 to 11 July 2010. (Minute laid on 9 June 2009).</p>	unquantifiable

Security and Intelligence Agencies

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Protecting and promoting the national security and economic well being of the UK			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
A2	Transfer from DCLG for common-good contribution to Information Assurance	100,000	-100,000
A2	Transfer from DCLG for common-good contribution to Information Assurance	100,000	
A2	Transfer from Department of Health for common-good contribution to Information Assurance	2,000,000	
A2	Transfer from DWP for common-good contribution to Information Assurance	1,000,000	
A2	Transfer from HMRC for common-good contribution to Information Assurance	500,000	
A2	Transfer from Home Office for common-good contribution to Information Assurance	300,000	
A2	Transfer from Cabinet Office for common-good contribution to Information Assurance	4,000,000	
A2	Transfer from FCO in relation to the expansion and capabilities of the Security and Intelligence Agencies	54,000	
<u>Transfers from resource spending to capital spending (not capital grants)</u>			
A2	Decrease in programme expenditure resulting from implementation of IAS38: Intangible Assets		-18,000,000
A2	Decrease in programme expenditure for the expansion and capabilities of the Security and Intelligence Agencies		-10,000,000
A2	Decrease in programme expenditure for the expansion and capabilities of the Security and Intelligence Agencies		-13,000,000
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A2	Increase in Admin income of £2,430,000 offset by an increase in Admin expenditure of £2,430,000	2,430,000	-2,430,000
A2	Increase in Programme income of £123,594,000 being offset by an increase in Programme near-cash expenditure of £123,594,000	123,594,000	-123,594,000

Introduction

<u>Changes in Annually Managed Expenditure (AME)</u>		
B2	Increase in AME provisions for the expansion and capabilities of the Security and Intelligence Agencies	35,215,000
B2	Increase in AME provision in respect of exchange rate losses/gains	600,000
B2	Decrease in AME resulting from revaluation of Property, Plant and Equipment (PPE)	-215,000
<u>Totals</u>		169,893,000 -167,339,000
<u>Total RfR 1</u>		2,554,000
<u>Total change in resources for Estimate:</u>		2,554,000

Changes in capital

Section Reason for Change

RfR 1: Protecting and promoting the national security and economic well being of the UK

Changes related to movements in budgets

<u>Take up of Departmental Unallocated Provision</u>		
A7	Draw down of capital DUP for the expansion and capabilities of the Security and Intelligence Agencies	8,000,000

Other changes

<u>Transfers from resources to capital</u>		
A7	Increase in capital expenditure resulting from implementation of IAS38: Intangible Assets	18,000,000
A7	Increase in capital expenditure for the expansion and capabilities of the Security and Intelligence Agencies	10,000,000
A7	Increase in capital expenditure for the expansion and capabilities of the Security and Intelligence Agencies	13,000,000

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

A7:A8	Increase in Capital income of £53,485,000 being offset by an increase in Capital expenditure of £53,485,000	53,485,000	-53,485,000
-------	---	------------	-------------

<u>Totals</u>		102,485,000	-53,485,000
----------------------	--	--------------------	--------------------

<u>Total RfR 1</u>		49,000,000	
---------------------------	--	-------------------	--

<u>Total changes in capital for Estimate:</u>		49,000,000	
--	--	-------------------	--

Introduction

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £98,154,000.
3. Symbols are explained in the Introduction to this booklet.

Security and Intelligence Agencies

Part I

	£
Request for Resources 1: Protecting and promoting the national security and economic well being of the UK	2,554,000
Total additional net resource requirement	2,554,000
Additional net cash requirement	98,154,000

SUPPLEMENTARY amounts required in the year ending 31 March 2011 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					
		128,578	126,024	2,554	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Security and Intelligence Agencies	1,945,254	92,978	126,024	-33,046	1,912,208
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
B Impairments	6,790	35,600	-	35,600	42,390
Total for Estimate:		128,578	126,024	2,554	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	290,060	102,485	392,545
Non-Operating A in A	60	53,485	53,545
Net cash requirement	1,920,396	98,154	2,018,550

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Protecting and promoting the national security and economic well being of the UK									
95,487	2,056,445	-	2,151,932	197,334	1,954,598	392,545	53,545		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Security and Intelligence Agencies								
95,487	2,014,055	-	2,109,542	197,334	1,912,208	392,545	53,545		
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
B	Impairments								
-	42,390	-	42,390	-	42,390	-	-		
Total for Estimate:									
95,487	2,056,445	-	2,151,932	197,334	1,954,598	392,545	53,545		

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	1,952,044	2,554	1,954,598
Voted capital items			
Capital	290,060	102,485	392,545
Less Non-operating A-in-A	60	53,485	53,545
Total net voted capital	290,000	49,000	339,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Depreciation	-321,164	215	-320,949
New provisions and adjustments to previous provisions	-290	-35,215	-35,505
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-254	-615	-869
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	60	82,215	82,275
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-321,648	46,600	-275,048
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,920,396	98,154	2,018,550

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2010-11
Provision**
Net Administration Costs

RfR 1

82,250

Total Net Administration Costs

82,250

Net Programme Costs

RfR 1

1,867,348

Total Net Programme Costs

1,867,348

Total Net Operating Cost

1,949,598

of which:

Net Resource Requirement

1,954,598

Non-voted Expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-5,000

Resource Budget

1,949,598

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

2010-11
Provision

Net Resource Requirement (Estimates)	1,954,598
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-5,000
Other adjustments	-
Net Operating Cost (Accounts)	1,949,598
<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)	1,949,598
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,907,208
Annually Managed Expenditure (AME)	42,390

Reconciliation of capital expenditure between Estimates and Budgets

£'000

2010-11
Provision

Net Voted Capital (Estimates)	339,000
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	339,000
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	339,000
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Sir Peter Ricketts

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

In discharging these responsibilities particular regard is given to:

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2010-11

RfR 1: Protecting and promoting the national security and economic well being of the UK

Administration	13,237
<i>of which:</i>	
Sale of goods and services	13,237
Programme	184,097
<i>of which:</i>	
Sale of goods and services	184,097
Total RfR 1	197,334†
<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	197,334

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

£'000

2010-11

RfR 1: Protecting and promoting the national security and economic well being of the UK

Programme	53,545
<i>of which:</i>	
Sale of assets	53,545
Total RfR 1	53,545†
<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	53,545

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-38,046	-	1,907,208	-	1,907,208
<i>of which:</i>					
Administration budget	-	-	82,250	-	82,250
Capital DEL †	49,000	-8,000	339,000	-	339,000
Less Depreciation ††	-	-	-314,664	-	-314,664
Total DEL	10,954	-8,000	1,931,544	-	1,931,544

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

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

Cash which may be retained to offset expenditure

£'000

Revised

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	250,879
--	---------



Published by TSO (The Stationery Office) and available from:

Online

www.tsoshop.co.uk

Mail, Telephone Fax & E-Mail

TSO

PO Box 29, Norwich, NR3 1GN

Telephone orders/General enquiries 0870 600 5522

Order through the Parliamentary Hotline Lo-Call 0845 7 023474

Fax orders: 0870 600 5533

E-mail: customerservices@tso.co.uk

Textphone: 0870 240 3701

The Parliamentary Bookshop

12 Bridge Street, Parliament Square,

London SW1A 2JX

Telephone orders/general enquiries 020 7219 3890

Fax orders: 020 7219 3866

Email: bookshop@parliament.uk

Internet: <http://www.bookshop.parliament.uk>

TSO@Blackwell and other Accredited Agents

Customers can also order publications from

TSO Ireland

16 Arthur Street, Belfast BT1 4GD

Telephone orders/general enquiries 028 9023 8451

Fax orders: 028 9023 5401

ISBN 978-0-10-296929-0



9 780102 969290