
**Central Government
Supply Estimates 2007–08**
Winter Supplementary Estimates
and New Estimates

November 2007

Central Government Supply Estimates

2007–08

for the year ending 31 March 2008

Winter Supplementary Estimates and New Estimates

Presented by Command of Her Majesty

Ordered by the House of Commons to be printed

15th November 2007

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TREASURY CHAMBERS
15 November 2007

JANE KENNEDY

Section 1.

Introduction

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

Supplementary, New and Revised Estimates

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

Total Estimates to Date

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

4. The winter Supplementary Estimates and New Estimates presented to Parliament in this booklet increase resources by **£6,145,881,000** to **£436,083,000,000** and cash by **£7,534,753,000** to **£401,525,765,000**.

Table 1.1 Total Estimates to date		£ million
	Resources	Cash
Main Estimates <i>(HC 438, 439, 440, 441 of 2006-07)</i>	429,937	393,991
Winter Supplementary Estimates <i>(Section 2 of this booklet)</i>	-10,982	-11,423
New Estimates <i>(Section 3 of this booklet)</i>	17,128	18,958
Total	436,083	401,526

5. There are 34 Supplementary Estimates and 2 New Estimates seeking changes to resources and/or cash and these are shown in **Tables 1.3 and 1.4**.

Public Expenditure: Total Managed Expenditure

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

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

8. The net effect of the Estimates within this booklet, and associated non-voted increases, on the main control aggregates is shown in Table 1.2. Of the increase in DEL, £4,302 million will be charged to the DEL Reserve. Of this, £2,093 million relates to partial take up of the end year flexibility entitlements shown in Table 5 of the *Public Expenditure Outturn White Paper 2006–07 (Cm 7156)*, published in July 2007.

Table 1.2 Expenditure within the main control aggregates		£ million
	Resources	Capital
Change in DEL	2,922	1,210
Change in Departmental AME	819	543
Total	3,741	1,753

Departmental Expenditure Limits

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

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

Administration Budgets

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

Provisional outturn for the first half of 2007-08

12. **Table 1.7** gives provisional estimated outturn for resource Supply expenditure in the first six months of the financial year of 2007-08 on all Estimates.

13. Estimated expenditure is compared with forecasts of expenditure in the first six months prepared by departments earlier in the financial year. Expenditure is currently estimated to be 2 percent below that forecast for the first half-year.

- Parliamentary Procedure** 14. Supplementary Estimates seek funds for expenditure in addition to that sought in previous Supply Estimates for the same financial year. They may be presented:
- (a) to seek authority, and additional resources and/or cash as necessary, for any new services;
 - (b) to increase the provision for existing services;
 - (c) to increase net resources if a shortfall is expected in income appropriated in aid;
- or
- (d) to increase appropriations in aid.

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

Format of Supplementary Estimates

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

17. 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.

18. Part II of the Supplementary contains three tables. The first table identifies the Sections within each Request for Resources where changes are being proposed and also shows 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.

19. 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.

20. 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

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

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

Public Expenditure:

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

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

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

Appendix

Table 1.3: Supplementary Estimates by department

£'000s

RfR Service	Resources			Present Requirement	Cash	
	Present Net Provision	Increase Proposed	New Net Provision		Increase Proposed	New Requirement
Department for Children Schools and Families	62,581,430	-13,163,001	49,418,429	64,417,254	-14,994,081	49,423,173
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	60,631,951	-13,158,101	47,473,850			
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,759,379	-4,900	1,754,479			
RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund	190,100	-	190,100			
Office for Standards in Education, Children's Services and Skills	204,400	16,409	220,809	202,339	24,752	227,091
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	204,400	16,409	220,809			
Food Standards Agency	143,892	8,500	152,392	141,731	18,800	160,531
RfR 1: Protecting and promoting public health in relation to food	143,892	8,500	152,392			
Department for Transport	14,159,658	459,132	14,618,790	11,419,599	395,551	11,815,150
RfR 1: Promoting transport that works for everybody	14,159,658	459,132	14,618,790			
Office of Rail Regulation	2	-	2	1	4,545	4,546
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation	2	-	2			
Department for Communities and Local Government	34,153,682	262,394	34,416,076	34,184,774	557,904	34,742,678
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	10,480,645	121,663	10,602,308			
RfR 2: Providing for effective devolved decision making within a national framework	23,673,037	140,731	23,813,768			
Home Office	14,447,900	-4,808,397	9,639,503	14,663,834	-4,938,295	9,725,539
RfR 1: Protecting the public and securing our future	14,447,900	-4,808,397	9,639,503			

Table 1.3: Supplementary Estimates by department**£'000s**

RfR Service	Resources			Cash		
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement
Assets Recovery Agency	15,551	750	16,301	16,678	2,253	18,931
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation	15,551	750	16,301			
Charity Commission	30,243	1,500	31,743	30,631	1,001	31,632
RfR 1: Giving the public confidence in the integrity of charity	30,243	1,500	31,743			
Ministry of Justice	40,383,545	6,113,832	46,497,377	40,256,195	5,993,854	46,250,049
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	3,899,645	5,653,030	9,552,675			
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	24,620,161	331,939	24,952,100			
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales	11,863,739	128,863	11,992,602			
Northern Ireland Court Service	120,643	4,181	124,824	115,468	681	116,149
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	120,643	4,181	124,824			
The National Archives	44,939	1	44,940	38,786	2,411	41,197
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 and 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	44,939	1	44,940			
The Crown Prosecution Service	624,537	21,815	646,352	625,073	21,815	646,888
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	624,537	21,815	646,352			
Serious Fraud Office	35,769	15,345	51,114	39,425	17,145	56,570
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	35,769	15,345	51,114			

Table 1.3: Supplementary Estimates by department							£'000s
RfR Service	Resources			Present Requirement	Cash		
	Present Net Provision	Increase Proposed	New Net Provision		Increase Proposed	New Requirement	
HM Procurator General and Treasury Solicitor	14,321	1,145	15,466	16,571	783	17,354	
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	14,321	1,145	15,466				
Ministry of Defence	33,679,507	1,889,439	35,568,946	31,677,308	2,158,439	33,835,747	
RfR 1: Provision of defence capability	32,608,197	574,439	33,182,636				
RfR 2: Operations and Peace Keeping	44,303	1,315,000	1,359,303				
RfR 3: War Pensions and Allowances, etc	1,027,007	-	1,027,007				
Foreign and Commonwealth Office	1,887,892	46,799	1,934,691	1,789,376	66,122	1,855,498	
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	1,631,732	46,798	1,678,530				
RfR 2: Conflict prevention	256,160	1	256,161				
Department for Business, Enterprise and Regulatory Reform	6,669,143	-2,953,682	3,715,461	7,647,802	-2,367,347	5,280,455	
RfR 1: Increasing UK competitiveness	3,649,766	65,695	3,715,461				
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society	3,019,377	-3,019,377	-				
Office of Gas and Electricity Markets	701	1	702	1,847	1	1,848	
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry	1	1	2				
RfR 2: Expenditure in connection with environmental programmes	700	-	700				
Postal Services Commission	1	-	1	1	1,517	1,518	
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	1	-	1				
Department for Environment, Food and Rural Affairs	5,871,511	11,704	5,883,215	5,862,116	1	5,862,117	
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible	5,871,511	11,704	5,883,215				

Table 1.3: Supplementary Estimates by department**£'000s**

RfR Service	Resources			Cash		
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement
Forestry Commission	80,565	9,804	90,369	60,682	9,104	69,786
RfR 1: To implement the programmes of the England Forestry Strategy	63,158	8,994	72,152			
RfR 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally	17,407	810	18,217			
Department for Culture, Media and Sport	4,613,825	122,594	4,736,419	4,611,882	135,610	4,747,492
RfR 1: Improving the quality of life through cultural and sporting activities	1,757,715	122,594	1,880,309			
RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities	2,856,110	-	2,856,110			
Department for Work and Pensions	66,072,747	627,101	66,699,848	66,698,991	1,147,101	67,846,092
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	406,751	2,022	408,773			
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	38,042,718	290,668	38,333,386			
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	10,600,365	34,138	10,634,503			
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	15,983,533	260,843	16,244,376			
RfR 5: Corporate contracts and support services	1,039,380	39,430	1,078,810			
Northern Ireland Office	11,464,201	148,095	11,612,296	11,489,820	134,174	11,623,994
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	1,130,200	148,095	1,278,295			
RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000	10,334,001	-	10,334,001			

Table 1.3: Supplementary Estimates by department

£'000s

RfR Service	Resources			Cash		
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement
HM Treasury	309,654	14,519	324,173	228,964	17,568	246,532
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all	230,517	6,028	236,545			
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage	52,000	-	52,000			
RfR 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis	27,137	8,491	35,628			
HM Revenue & Customs	15,130,271	91,488	15,221,759	15,122,469	63,228	15,185,697
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements	4,255,423	91,487	4,346,910			
RfR 2: Growing a contribution to the good management of property where the public interest is involved	1	-	1			
RfR 3: Providing payments in lieu of tax relief to certain bodies	86,000	-	86,000			
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies	38,385	1	38,386			
RfR 5: Payments of Child Benefit and Child Trust Fund endowments	10,750,462	-	10,750,462			
National Savings and Investments	165,294	5,000	170,294	162,672	5,000	167,672
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future	165,294	5,000	170,294			
Office for National Statistics	161,563	941	162,504	164,200	3,913	168,113
RfR 1: Providing statistical and registration services	161,563	941	162,504			
Cabinet Office	397,935	-10,596	387,339	360,279	-2,938	357,341
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	397,935	-10,596	387,339			
Security and Intelligence Agencies	1,466,703	84,050	1,550,753	1,520,714	97,651	1,618,365
RfR 1: Protecting and promoting the national security and economic well being of the UK	1,466,703	84,050	1,550,753			
National School of Government	415	802	1,217	184	1,203	1,387
RfR 1: To be a centre of excellence for learning and development in support of the strategic business priorities of Government	415	802	1,217			

Table 1.3: Supplementary Estimates by department**£'000s**

RfR Service	Resources			Cash		
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement
Privy Council Office	6,821	-6,821	-	6,866	-6,866	-
RfR 1: Ensuring the orderly conduct of Privy Council Office business	6,821	-6,821	-			
Office of Parliamentary Commissioner for Administration and the Health Service Commissioner for England	20,495	3,531	24,026	20,577	3,964	24,541
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	20,495	3,531	24,026			
Total		-10,981,625			-11,423,436	

Table 1.4: New Supply Estimates by department

£'000s

RfR Service	Net Resource Requirement	Net Cash Requirement
Department for Innovation, Universities and Science	17,061,264	18,892,556
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; achieving excellence in levels of skills; and supporting innovation and standards	13,694,011	
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society	3,367,253	
Government Equalities Office	66,242	65,633
RfR1: promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential	66,242	
Total	17,127,506	18,958,189

Table 1.5 Departmental Expenditure Limits for 2007-08

Department/Group	Resources				Capital			
	DEL change	New DEL	of which Voted	Non voted	DEL change	New DEL	of which Voted	Non voted
Department for Children, Schools and Families (1)	-12,923,141	44,952,434	43,963,582	988,852	-1,166,262	5,828,661	4,367,577	1,461,084
Department of Health (2)	9,677	89,682,223	88,945,912	736,311	1,592	4,322,137	1,739,429	2,582,708
Department for Transport	221,093	6,925,477	6,451,490	473,987	-17,000	6,543,378	5,437,836	1,105,542
Office of Rail Regulation	-	2	2	-	-	500	500	-
Department for Innovation, Universities and Skills	16,117,217	16,117,217	-3,742,948	19,860,165	1,970,732	1,970,732	-93,408	2,064,160
Department for Communities and Local Government: Main	-2,510	4,320,332	4,124,326	196,006	156,669	6,093,763	2,493,458	3,600,305
Department for Communities and Local Government: Local Government	1,700	22,814,865	22,711,011	103,854	-13,000	129,751	126,251	3,500
Deputy Prime Minister's Office	-2,039	508	508	-	-	-	-	-
Home Office	-4,862,044	8,662,912	7,944,143	718,769	-575,239	752,462	460,955	291,507
Assets Recovery Agency	750	16,301	16,301	-	-	-	-	-
Charity Commission	1,500	31,743	31,743	-	-499	900	900	-
Ministry of Justice (3)	5,382,603	9,342,308	5,905,947	3,436,361	666,966	815,313	785,248	30,065
Law Officers Departments (4)	30,988	749,341	749,341	-	2,000	16,900	16,900	-
Ministry of Defence	1,889,379	34,720,632	34,437,544	283,088	144,000	7,692,370	7,691,626	744
Foreign and Commonwealth Office	13,122	1,822,326	1,811,464	10,862	35,000	182,753	182,753	-
Department for International Development	-77,985	4,559,127	3,819,608	739,519	73,000	716,250	716,250	-
Department for Business, Enterprise and Regulatory Reform	-3,762,665	2,229,140	-645,427	2,874,567	14,521	1,167,677	-698,824	1,866,501
UK Trade & Investment	-	89,307	89,307	-	-	248	248	-
Export Credits Guarantee Department	-	600	600	-	-	481	481	-
Office of Fair Trading	-	75,994	75,994	-	-	1,398	1,398	-
Office of Gas and Electricity Markets	1	702	702	-	-	950	950	-
Postal Services Commission	-	1	1	-	-	460	460	-
Department for the Environment, Food and Rural Affairs	25,026	2,928,970	4,326,895	-1,397,925	-17,247	888,905	669,395	219,510
Forestry Commission	9,804	93,022	90,369	2,653	1,800	1,940	2,640	-700
Water Services Regulation Authority	-	1	1	-	117	517	517	-
Department of Culture, Media and Sport	43,461	1,607,408	91,691	1,517,717	100,516	502,353	28,997	473,356
Department for Work and Pensions	7,373	7,733,237	6,449,887	1,283,350	-887	64,175	63,780	395
Government Equalities Office	66,834	66,834	33,296	33,538	7,175	7,175	-	7,175
Scottish Government	363,991	23,873,532	-	23,873,532	447,000	3,565,322	-	3,565,322
Welsh Assembly Government	30,000	12,486,330	-	12,486,330	-	1,616,737	-	1,616,737
Northern Ireland Office	201,924	1,342,928	368,289	974,639	-10	71,903	25,094	46,809
Northern Ireland Executive	-	7,597,897	-	7,597,897	-	1,014,779	-	1,014,779
HM Treasury	6,028	231,787	203,975	27,812	-	7,200	7,200	-
HM Revenue & Customs	76,487	4,539,658	4,146,645	393,013	-	267,710	263,971	3,739
National Savings and Investment	-	170,294	170,294	-	-	500	500	-
Office for National Statistics	941	169,531	162,504	7,027	-	27,580	27,580	-
Government Actuary's Department	-	572	572	-	-	228	228	-
Cabinet Office (5)	-7,357	356,702	311,675	45,027	30,062	78,969	78,869	100
Security and Intelligence Agencies	61,869	1,544,072	1,544,072	-	15,375	289,669	289,669	-
National School of Government	802	1,217	1,217	-	401	1,270	1,270	-
Privy Council Office	-6,821	-	-	-	-127	-	-	-

Table 1.5 Departmental Expenditure Limits for 2007-08

Department/Group	Resources				Capital			
	DEL change	New DEL	of which Voted	Non voted	DEL change	New DEL	of which Voted	Non voted
Office of the Parliamentary Commissioner and Health Service Commissioners	3,561	24,213	24,026	187	37	1,537	1,537	-
House of Lords	-	113,030	113,030	-	-	34,350	34,350	-
House of Commons, Members salaries	-	163,150	163,150	-	-	248	248	-
House of Commons: administration	-	219,400	219,400	-	-	6,741	6,741	-
National Audit Office	-	90,631	90,444	187	-	3,560	3,560	-
Electoral Commission	-	23,995	23,995	-	-	950	950	-
Total	2,921,569	312,491,903	235,226,578	77,267,325	1,876,692	44,691,402	24,738,084	19,953,338

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

(2) Includes Food Standards Agency

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

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

(5) Includes Central Office of Information.

Table 1.6 Central Government Departments: changes in 2007-08 Administration Budgets £'000

Department	Present Administration Budget	Change in Administration Budget	Revised Administration Budget
Department for Children, Schools and Families	237,698	-45,221	192,477
Office of Standards in Education, Children's Services and Skills	28,470	485	28,955
Department of Health	224,633	-	224,633
Food Standards Agency	52,415	4,100	56,515
Department for Transport	259,297	30,087	289,384
Office of Rail Regulation	2	-	2
Department for Innovation, Universities and Skills	-	71,840	71,840
Department for Communities and Local Government	290,762	5,245	296,007
Deputy Prime Minister's Office	2,547	-2,039	508
Home Office	618,291	-204,151	414,140
Assets Recovery Agency	4,636	-	4,636
Charity Commission	30,243	1,500	31,743
Ministry of Justice	523,536	189,180	712,716
Northern Ireland Court Service	2,311	-	2,311
The National Archives	43,711	-43,711	-
Crown Prosecution Service	57,415	-112	57,303
Serious Fraud Office	24,969	6,666	31,635
HM Procurator General and Treasury Solicitor	11,624	1,145	12,769
Revenue and Customs Prosecutions Office	18,253	-317	17,936
Foreign and Commonwealth Office	870,046	14	870,060
Department for International Development	232,000	10	232,010
Department for Business, Enterprise and Regulatory Reform	316,969	9,740	326,709
Office of Fair Trading	73,944	-	73,944
Office of Gas and Electricity Markets	491	211	702
Postal Services Commission	1	-	1
Department for Environment, Food and Rural Affairs	285,524	108,420	393,944
Water Services Regulation Authority	1	-	1
Department for Culture, Media and Sport	50,258	5,316	55,574
Department for Work and Pensions	5,798,484	17,880	5,816,364
Government Equalities Office	-	3,885	3,885
Northern Ireland Office	78,824	3,045	81,869
HM Treasury	167,823	6,028	173,851
HM Revenue and Customs	4,364,120	77,487	4,441,607
National Savings and Investments	170,294	-	170,294
Office for National Statistics	168,040	1,491	169,531
Government Actuary's Department	572	-	572
Cabinet Office	236,600	-19,542	217,058
Security and Intelligence Agencies	824,494	65,139	889,633
National School of Government	415	802	1,217
Privy Council Office	6,821	-6,821	-
Total	16,076,534	287,802	16,364,336

Table 1.7 Six months' provisional resource outturn by Request for Resources, 2007-08

	£'000			
	Total Main Estimate Resource Provision	Forecast	Expenditure in first six months Provisional Outturn	Per cent forecast
Department for Children, Schools and Families¹				
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	60,631,951	28,224,280	28,224,280	100.00
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,759,379	695,504	623,655	89.67
RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund	190,100	74,912	71,273	95.14
Net resource requirement‡	62,581,430	28,994,696	28,919,208	99.74
Teachers' Pension Scheme (England & Wales)				
RfR 1: Teachers' pensions	10,516,919	5,969,022	5,323,872	89.19
Net resource requirement‡	10,516,919	5,969,022	5,323,872	89.19
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	204,400	102,187	103,707	101.49
Net resource requirement‡	204,400	102,187	103,707	101.49
Department of Health				
RfR 1: Securing health care for those who need it.	68,014,798	33,503,669	33,214,337	99.14
RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health	3,536,316	1,873,199	1,804,792	96.35
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts	12,657	6,316	6,700	106.08
Net resource requirement‡	71,563,771	35,383,184	35,025,829	98.99
National Health Service Pension Scheme				
RfR 1: National Health Service Pension Scheme	14,304,784	7,152,380	7,082,770	99.03
Net resource requirement‡	14,304,784	7,152,380	7,082,770	99.03
Food Standards Agency				
RfR 1: Protecting and promoting public health in relation to food	143,892	71,026	72,177	101.62
Net resource requirement‡	143,892	71,026	72,177	101.62
Department for Transport				
RfR 1: Promoting transport that works for everybody	14,159,658	7,132,787	6,959,371	97.57
Net resource requirement‡	14,159,658	7,132,787	6,959,371	97.57
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

Table 1.7 Six months' provisional resource outturn by Request for Resources, 2007-08

	Total Main Estimate Resource Provision	Expenditure in first six months			£'000
		Forecast	Provisional Outturn	Per cent forecast	
Department for Communities and Local Government²					
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	10,480,645	4,276,966	2,974,795		69.55
RfR 2: Providing for effective devolved decision making within a national framework	23,673,037	12,732,695	12,703,749		99.77
Net resource requirement‡	34,153,682	17,009,661	15,678,544		92.17
Deputy Prime Minister's Office³					
RfR1: Supporting the Deputy Prime Minister in carrying out his ministerial responsibilities	2,547	507	507		100.00
Net resource requirement‡	2,547	507	507		100.00
Home Office					
RfR 1: Building a safe, just and tolerant society	14,447,900	4,903,859	4,903,859		100.00
Net resource requirement‡	14,447,900	4,903,859	4,903,859		100.00
Assets Recovery Agency					
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation.	15,551	7,760	7,760		100.00
Net resource requirement‡	15,551	7,760	7,760		100.00
Charity Commission					
RfR 1: Giving the public confidence in the integrity of charity	30,243	23,271	22,137		95.13
Net resource requirement‡	30,243	23,271	22,137		95.13
Ministry of Justice⁴					
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	3,899,645	3,868,753	3,868,753		100.00
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	24,620,161	12,310,075	12,310,075		100.00
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales	11,863,739	5,932,268	5,932,268		100.00
Net resource requirement‡	40,383,545	22,111,096	22,111,096		100.00
Ministry of Justice: Judicial Pensions Scheme					
RfR 1: Judicial Pensions Scheme	39,539	23,065	19,770		85.71
Net resource requirement‡	39,539	23,065	19,770		85.71
Northern Ireland Court Service					
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	120,643	60,630	62,593		103.24
Net resource requirement‡	120,643	60,630	62,593		103.24

Table 1.7 Six months' provisional resource outturn by Request for Resources, 2007-08

	£'000			
	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
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 and 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	44,939	22,447	22,447	100.00
Net resource requirement‡	44,939	22,447	22,447	100.00
The Crown Prosecution Service				
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	624,537	305,175	298,299	97.75
Net resource requirement‡	624,537	305,175	298,299	97.75
Serious Fraud Office				
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	35,769	17,866	17,866	100.00
Net resource requirement‡	35,769	17,866	17,866	100.00
HM Procurator General and Treasury Solicitor				
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	14,321	7,160	6,106	85.28
Net resource requirement‡	14,321	7,160	6,106	85.28
Revenue and Customs Prosecutions Office				
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors	36,726	18,363	18,363	100.00
Net resource requirement‡	36,726	18,363	18,363	100.00
Ministry of Defence				
RfR 1: Provision of defence capability	32,608,197	16,303,962	16,064,821	98.53
RfR 2: Conflict prevention	44,303	N/A	N/A	N/A
RfR 3: War Pensions and Allowances, etc	1,027,007	513,498	511,887	99.69
Net resource requirement‡	33,679,507	16,817,460	16,576,708	98.57
Armed Forces retired pay, pensions etc				
RfR 1: Armed Forces retired pay, pensions etc	5,095,638	2,547,802	2,409,254	94.56
Net resource requirement‡	5,095,638	2,547,802	2,409,254	94.56
Foreign and Commonwealth Office				
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	1,631,732	787,658	737,090	93.58
RfR 2: Conflict prevention	256,160	128,082	144,485	112.81
Net resource requirement‡	1,887,892	915,740	881,575	96.27
Department for International Development				
RfR 1: Eliminating poverty in poorer countries	4,553,640	2,404,955	2,242,400	93.24
RfR 2: Conflict prevention	38,098	15,864	15,183	95.71
Net resource requirement‡	4,591,738	2,420,819	2,257,583	93.26

Table 1.7 Six months' provisional resource outturn by Request for Resources, 2007-08

	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
£'000				
Department for International Development: Overseas				
Superannuation				
RfR 1: Overseas superannuation	57,643	28,824	28,824	100.00
Net resource requirement‡	57,643	28,824	28,824	100.00
Department for Business, Enterprise and Regulatory Reform⁵				
RfR 1: Increasing UK competitiveness	3,649,766	2,178,606	2,164,705	99.36
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society	3,019,377	-	-	-
Net resource requirement‡	6,669,143	2,178,606	2,164,705	99.36
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	89,328	36,485	36,061	98.84
Net resource requirement‡	89,328	36,485	36,061	98.84
Department for Business, Enterprise and Regulatory Reform :				
UKAEA pension schemes				
RfR 1: Effective management of UKAEA pension schemes	288,883	144,438	144,438	100.00
Net resource requirement‡	288,883	144,438	144,438	100.00
Export Credits Guarantee Department				
RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports	69,102	13,632	13,632	100.00
RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports	1	-	-	-
Net resource requirement‡	69,103	13,632	13,632	100.00
Office of Fair Trading				
RfR 1: Advancing and safeguarding the economic interests of UK consumers	75,994	34,276	33,384	97.40
Net resource requirement‡	75,994	34,276	33,384	97.40
Office of Gas and Electricity Markets				
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry	1	N/A	N/A	N/A
RfR 2: Expenditure in connection with environmental programmes	700	300	300	100.00
Net resource requirement‡	701	300	300	100.00
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
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 England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.	5,871,511	2,936,238	2,597,913	88.48
Net resource requirement‡	5,871,511	2,936,238	2,597,913	88.48

Table 1.7 Six months' provisional resource outturn by Request for Resources, 2007-08

	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
£'000				
Forestry Commission				
RfR 1: To implement the programmes of the England Forestry Strategy	63,158	33,459	29,793	89.04
RfR 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally	17,407	8,792	9,106	103.57
Net resource requirement‡	80,565	42,251	38,899	92.07
Water Services Regulation Authority				
RfR 1: Regulation of the Water Industry	173	N/A	N/A	N/A
Net resource requirement‡	173	N/A	N/A	N/A
Department for Culture, Media and Sport				
RfR 1: Improving the quality of life through cultural and sporting activities	1,757,715	878,763	831,133	94.58
RfR 2: Broadening access to a rich and varied cultural and sporting life through home broadcasting	2,856,110	1,428,054	1,541,590	107.95
Net resource requirement‡	4,613,825	2,306,817	2,372,723	102.86
Department for Work and Pensions				
RfR 1: Ensuring the best start for all children and ending child poverty in	406,751	193,902	222,948	114.98
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	38,042,718	18,896,108	18,952,460	100.30
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	10,600,365	4,303,220	4,125,097	95.86
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	15,983,533	7,897,111	8,000,126	101.30
RfR 5: Corporate contracts and support services	1,039,380	527,342	599,503	113.68
Net resource requirement‡	66,072,747	31,817,683	31,900,134	100.26
Northern Ireland Office				
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	1,130,200	636,785	635,702	99.83
RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000.	10,334,001	5,260,572	5,167,008	98.22
Net resource requirement‡	11,464,201	5,897,357	5,802,710	98.40
HM Treasury				
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment	230,517	120,727	107,561	89.09
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage	52,000	25,994	17,734	68.22
RfR 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis	27,137	18,446	9,369	50.79
Net resource requirement‡	309,654	165,167	134,664	81.53

Table 1.7 Six months' provisional resource outturn by Request for Resources, 2007-08

	£'000			
	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
HM Revenue and Customs				
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements	4,255,423	2,155,541	2,180,562	101.16
RfR 2: Growing a contribution to the good management of property where the public interest is involved	1	N/A	N/A	N/A
RfR 3: Providing payments in lieu of tax relief to certain bodies	86,000	42,494	41,650	98.01
RfR 4: Making payments of rates to Local Authorities on behalf of certain	38,385	18,166	15,085	83.04
RfR 5: Payments of Child Benefit and Child Trust Fund endowments	10,750,462	5,358,301	5,429,617	101.33
Net resource requirement‡	15,130,271	7,574,502	7,666,914	101.22
National Savings and Investments				
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future	165,294	85,160	75,747	88.95
Net resource requirement‡	165,294	85,160	75,747	88.95
Office for National Statistics				
RfR 1: Providing statistical and registration services	161,563	74,181	79,043	106.55
Net resource requirement‡	161,563	74,181	79,043	106.55
Government Actuary's Department				
RfR 1: Providing an actuarial consultancy service	618	792	792	100.00
Net resource requirement‡	618	792	792	100.00
Crown Estate Office				
RfR 1: To maintain and enhance the value of The Crown Estate and the return obtained from it	2,365	1,138	1,205	105.89
Net resource requirement‡	2,365	1,138	1,205	105.89
Cabinet Office				
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	397,935	171,123	174,455	101.95
Net resource requirement‡	397,935	171,123	174,455	101.95
Security and Intelligence Agencies				
RfR 1: Protecting and promoting the national security and economic well being of the UK	1,466,703	684,032	688,851	100.70
Net resource requirement‡	1,466,703	684,032	688,851	100.70
Cabinet Office: Civil superannuation				
RfR 1: Civil superannuation	7,616,000	4,442,647	3,666,760	82.54
Net resource requirement‡	7,616,000	4,442,647	3,666,760	82.54
Central Office of Information				
RfR 1: Achieving maximum communication effectiveness with best value for money	716	351	351	100.00
Net resource requirement‡	716	351	351	100.00

Table 1.7 Six months' provisional resource outturn by Request for Resources, 2007-08

	£'000			
	Total Main Estimate Resource Provision	Expenditure in first six months		Per cent forecast
		Forecast	Provisional Outturn	
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	415	207	207	100.00
Net resource requirement‡	415	207	207	100.00
Privy Council Office³				
RfR 1: Ensuring the orderly conduct of Privy Council Office business	6,821	-	-	N/A
Net resource requirement‡	6,821	-	-	N/A
Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England				
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	20,495	14,265	15,337	107.51
Net resource requirement‡	20,495	14,265	15,337	107.51
House of Lords				
RfR 1: Members' expenses and administration, etc.	114,189	57,068	51,618	90.45
Net resource requirement‡	114,189	57,068	51,618	90.45
House of Commons: Members				
RfR 1: Members' salaries, allowances and other costs	163,150	81,566	74,446	91.27
Net resource requirement‡	163,150	81,566	74,446	91.27
House of Commons: Administration				
RfR 1: House of Commons Administrative Expenditure	231,742	115,410	110,099	95.40
RfR 2: Grants to other bodies	1,358	678	779	114.90
Net resource requirement‡	233,100	116,088	110,878	95.51
National Audit Office				
RfR 1: Providing independent assurance to Parliament and other organisations on the management of public resources	90,444	45,225	45,225	100.00
Net resource requirement‡	90,444	45,225	45,225	100.00
The Electoral Commission				
RfR 1: The Electoral Commission	23,995	11,989	11,989	100.00
Net resource requirement‡	23,995	11,989	11,989	100.00
Total net resource requirement	429,937,119	210,979,657	206,712,892	98.0

‡ Total resources net of operating appropriations in aid

1. Main Estimate provision included sums for functions subsequently transferred to the Department for Innovation, Universities and Skills.
2. Main Estimate provision included sums for functions subsequently transferred to the Government Equalities Office.
3. Department has ceased to exist.
4. Outturn figures include expenditure on functions where Main Estimate provision was within the Home Office Estimate.
5. Main Estimate provision included sums for functions subsequently transferred to the Department for Innovation, Universities and Skills.

Section 2.

Supplementary Estimates

Department for Children, Schools and Families

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills.			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Transfers to/from Central Funds</u>			
A	Increase in non-cash provision allocation from HM Treasury to match CSR Total.	4,661,000	
 <u>Machinery of Government changes</u>			
A	To reflect the transfer of the Respect task force and associated functions from the Home Office by increasing the net resource provision.	1,400,000	
F	To reflect the transfer of the Respect task force and associated functions from the Home Office by increasing the net resource provision.	9,487,000	
I	To reflect the transfer of the Respect task force and associated functions from the Home Office by increasing the net resource provision.	14,713,000	
A	To reflect the transfer of higher education and related functions to the Department for Innovation, Universities and Skills following by decreasing the net resource provision.		-63,019,000.
B	To reflect the transfer of higher education and related functions to the Department for Innovation, Universities and Skills following by decreasing the net resource provision.		-270,000.
C	To reflect the transfer of higher education and related functions to the Department for Innovation, Universities and Skills following by decreasing the net resource provision.		-140,000.
D	To reflect the transfer of higher education and related functions to the Department for Innovation, Universities and Skills following by decreasing the net resource provision.		-155,721,000.

F	To reflect the transfer of higher education and related functions to the Department for Innovation, Universities and Skills following by decreasing the net resource provision.	4,927,734,000
G	To reflect the transfer of higher education and related functions to the Department for Innovation, Universities and Skills following by decreasing the net resource provision.	-2,340,283,000.
H	To reflect the transfer of higher education and related functions to the Department for Innovation, Universities and Skills following by decreasing the net resource provision.	-57,000.
L	To reflect the transfer of higher education and related functions to the Department for Innovation, Universities and Skills following by decreasing the net resource provision.	-1,000,000.
S	To reflect the transfer of higher education and related functions to the Department for Innovation, Universities and Skills following by decreasing the net resource provision.	-7,276,930,000.
T	To reflect the transfer of higher education and related functions to the Department for Innovation, Universities and Skills following by decreasing the net resource provision.	-11,186,663,000.
P	To reflect the transfer of higher education and related functions to the Department for Innovation, Universities and Skills following by increasing the net resource provision.	515,000,000
U	To reflect the transfer of functions to the Department for Innovation, Universities and Skills following the machinery of government changes by increasing the net resource provision.	2,022,881,000
<u>Transfers of budgetary cover to/from other government departments</u>		
A	Transfer from the Cabinet Office for administration costs towards the expansion of the Parliamentary Counsel's Office.	549,000
B	Transfer to the Department for Culture Media and Sport for Museum and Galleries programmes.	-2,000,000.
A1	Reclassification in respect of City Academy consultancy costs from administration to programme costs	-3,720,000
A2	Reclassification in respect of City Academy consultancy costs from administration to programme costs	3,720,000
<u>Changes in operating appropriations-in-aid (not offset by changes in spending)</u>		
E	Reduction in appropriations-in- aid relating to former Higher Education functions.	363,676,000
<u>Other changes</u>		
<u>Transfers to/from non-voted spending</u>		
H	Increase in capital grants funded from non-voted capital reduction	2,981,000

Resource transfers to/from another Request for Resources

G	A transfer from RfR 2 to support Early Years in maintained schools	2,400,000	
Q	A transfer from RfR 2 section to support the National Professional Qualification Leadership Centre.	2,500,000	

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

A	Increase in gross provision and appropriations in aid for Caxton House moto agreement with Department for Works and Pensions.	1,100,000	-1,100,000
A	Increase in gross provision and appropriations in aid for general administration from the Department of Health.	1,100,000	-1,100,000

	<u>Total</u>	7,873,902,000	-21,032,003,000
Total change in resources for RfR1			-13,158,101,000

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
 <u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A	A transfer to RfR 1 from current grants to support Early Years in		-2,400,000.
A	A transfer to RfR 1 to support the National Professional Qualification Leadership Centre.		-2,500,000.
		<u>Total</u>	-
Total change in resources for RfR2			-4,900,000.
Total change in resources for Estimate			-13,163,001,000.

Changes in Capital

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government Changes</u>			
P	To reflect the transfer of functions to the Department for Innovation, Universities and Skills following the machinery of government changes on RfR 1: by decreasing the gross capital provision in respect of student loan principal .		-4,325,229,000
P	To reflect the transfer of functions to the Department for Innovation, Universities and Skills following the machinery of government changes on RfR 1: by decreasing the non-operating appropriations -in-aid in respect of student loan principal receipts.	621,080,000	
		<u>Total</u>	<u>621,080,000 -4,325,229,000.</u>
Total change in capital for Estimate			-3,704,149,000.

2. As a result of the above and non-cash adjustments, there is a decrease in the net cash requirement of £14,994,081,000 .
3. Symbols are explained in the Introduction to this booklet.

Department for Children, Schools and Families†

Part I

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RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills. ††, * -13,158,101,000

RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare. * -4,900,000

Total additional net resource requirement -13,163,001,000

Additional net cash requirement †† -14,994,081,000

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

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

loans to voluntary aided schools; provision relating to former grant-maintained schools; the Assisted Places Scheme; music and dance schools; support for the Academy of Gifted and Talented Youth; City Technology Colleges; support for Academies; the school curriculum and its assessment; modernising the teaching profession and other educational services and initiatives; initiatives to write-off student loans to teachers in England and Wales; class size reductions; school and local education authority intervention; specialist schools; excellence in cities and other specific grants to local authorities including those through the Standards Fund; Dedicated School Grants; grants in aid to the National College for School Leadership, the Training and Development Agency for Schools, the British Educational Communications and Technology Agency, the Schools Food Trust, the Qualifications and Curriculum Authority and the Partnerships for Schools; support for the Centre for Information Learning Technology;

support for Teachers TV; capital grants to schools including those through the Standards Fund; the Youth Service including the Youth Task Force and the Respect Agenda; careers guidance and services including through the Connexions Service including working capital grants and loans for capital purchases; education provision and initiatives, capital grants to music, dance and other schools; payments for education in prisons and other custodial institutions; education maintenance allowances; the provision of training and assessment programmes for young peoples; initiatives to improve education and qualifications arrangements and access to these; payments to the Department of Innovation Universities and Skills to support 14-19 programmes. Millennium Volunteers; payments to the Home Office to support the Criminal Records Bureau; payments and grants to support personal and children's social services and initiatives relating to teenage pregnancy, hospital and community health services; children, secure accommodation and family policy; family parenting and law grants;

Grants in Aid to the Children and Family Court Advisory and Support Service and the Children's Commissioner; payments and grants to support parenting and parenting organisations; children's workforce and development; grants to support Strengthening Families, Marriages and Relationships; payments to support and develop vetting and barring; payments to the Department for Communities and Local Government to support Local Area Agreements including those for Children's Fund; investments and loans to support PFI; payments to the Department for Business, Enterprise and Regulatory Reform in connection with the Regional Development Agencies and the London Development Agency; loans and residual costs of the winding up of the Training and Enterprise Councils (TECs); the distribution of residual TEC assets, returned to the Secretary of State under the terms of the TEC Licence, to local voluntary, community and business support organisations;

grant in aid, grants and working capital loans to the General Teaching Council; the Department's own administration and research and payments for the administration of teachers' pensions; information and publicity services; initiatives and programmes supported by the European Union, the Capital Modernisation Fund and with other Government Department's under the Invest to Save Budget; compensation payments to teachers and staff of certain institutions and teachers' medical fees; and associated non-cash items.

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

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

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

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

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

†† The function of development, funding and performance management of higher education (both teaching and research) and higher and further education and skills was transferred to the Department for Innovation, Universities and Skills on 28 June 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are: (a) for RfR1 the net resource requirement is decreased by £13,194,792,000; (b) for RfR1 operating appropriations-in-aid are decreased by £519,581,000; (c) non-operating appropriations-in-aid are decreased by £621,080,000; and (d) the net cash requirement is decreased by £15,476,211,000.

†† The function of the Respect task force and associated programmes was transferred from the Home Office on 28 June 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are: (a) for RfR1 the net resource requirement is increased by £25,600,000; and (b) the net cash requirement is increased by £25,600,000.

* The reduction in the net resource requirement of RfR2 £4,900,000 is offset by a reallocation of those resources to RfR1.

† In the Main Estimate 2007-08 the department name for this Estimate was 'Department for Education and Skills'

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision	
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills.						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1 - A	Activities to Support All Functions	297,628	-58,105	2,024	-60,129	237,499
RfR 1 - B	Support for Schools and Teachers not through Local Education Authorities	1,016,355	1,450	-	1,450	1,017,805
RfR 1 - C	Support for Children and Families not paid through Local Authorities	871,426	-140	-	-140	871,286
RfR 1 - D	Higher Education	193,036	-193,256	-220	-193,036	-
RfR 1 - E	Higher Education Receipts from the Department of Trade and Industry	-363,676	-	-363,676	363,676	-
RfR 1 - F	Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes	784,167	4,971,230	-5,306	4,976,536	5,760,703
RfR 1 - G	Support for Students in Higher Education	2,342,283	-2,342,283	-	-2,342,283	-
RfR 1 - H	Compensation to Former College of Education Staff	11,870	-57	-	-57	11,813
RfR 1 - I	Current Grants for Local Area Agreements to Support Children and Families	328,691	14,713	-	14,713	343,404
<i>Support for Local Authorities</i>						
RfR 1 - J	Current Grants for Local Education Authorities to Support Schools and Teachers	4,427,268	2,400	-	2,400	4,429,668
RfR 1 - K	Capital Grants for Local Education Authorities to Support Schools	3,444,169	2,981	-	2,981	3,447,150
RfR 1 - L	Higher Education Fees and Awards through Local Education Authorities	1,000	-1,000	-	-1,000	-
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
RfR 1 - P	Loans to Students	-515,000	-	-515,000	515,000	-
Non-Budget						
RfR 1 - Q	Grant in Aid to NDPBs supporting Schools	739,295	2,500	-	2,500	741,795
RfR 1 - S	Loans to Students and Grant in Aid to NDPBs supporting Higher Education	7,276,930	-7,276,930	-	-7,276,930	-
RfR 1 - T	Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills and Lifelong Learning	11,277,720	-11,186,663	-	-11,186,663	91,057

Spending in Departmental Expenditure Limits (DEL)

Support for Local Authorities

RfR 1- U	Further Education supporting 6th Forms	-	2,022,881	-	2,022,881	2,022,881
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Total RfR 1		-14,040,279	-882,178	-13,158,101
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RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare.

Spending in Departmental Expenditure Limits(DEL)

Central Government spending

RfR 2 - A	Sure Start Current grants not through Local Authorities	93,712	-4,900.	-	-4,900	88,812
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Total RfR 2		-4,900	-	-4,900
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Total Changes to RfRs		-14,045,179	-882,178	-13,163,001
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	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	4,335,399	-4,325,229	10,170
Non-Operating A in A	621,655	-621,080	575
Net cash requirement	64,417,254	-14,994,081	49,423,173

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RFR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills.							
196,773	158,986	47,127,934	47,483,693	9,843	47,473,850	10,170	575
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Activities to Support All Functions							
196,773	41,716	8,658	247,147	9,648	237,499	10,170	575
B Support for Schools and Teachers not through Local Education Authorities							
-	14,100	1,003,705	1,017,805	-	1,017,805	-	-
C Support for Children and Families not paid through Local Authorities							
-	40,985	830,301	871,286	-	871,286	-	-
D Higher Education							
-	-	-	-	-	-	-	-
E Higher Education Receipts from the Department of Trade and Industry							
-	-	-	-	-	-	-	-
F Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes							
-	62,185	5,698,713	5,760,898	195	5,760,703	-	-
G Support for Students in Higher Education							
-	-	-	-	-	-	-	-
H Compensation to Former College of Education Staff							
-	-	11,813	11,813	-	11,813	-	-
I Current Grants for Local Area Agreements to Support Children and Families							
-	-	343,404	343,404	-	343,404	-	-
<i>Support for Local Authorities</i>							
J Current Grants for Local Education Authorities to Support Schools and Teachers							
-	-	4,429,668	4,429,668	-	4,429,668	-	-
K Capital Grants for Local Education Authorities to Support Schools							
-	-	3,447,150	3,447,150	-	3,447,150	-	-
L Higher Education Fees and Awards through Local Education Authorities							
-	-	-	-	-	-	-	-
M Current Grants to Local Authorities to Support Children and Families							
-	-	57,200	57,200	-	57,200	-	-
N Capital Grants to Local Authorities to Support Children and Families							
-	-	55,228	55,228	-	55,228	-	-
O Dedicated Schools Grants							
-	-	28,286,881	28,286,881	-	28,286,881	-	-

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
P	Loans to Students	-	-	-	-	-	-
Non-Budget							
Q	Grant in Aid to NDPBs supporting Schools	-	741,795	741,795	-	741,795	-
R	Grant in Aid to NDPBs supporting Children and Families	-	99,480	99,480	-	99,480	-
S	Loans to Students and Grant in Aid to NDPBs supporting Higher Education	-	-	-	-	-	-
T	Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills and	-	91,057	91,057	-	91,057	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Support for Local Authorities</i>							
U	Further Education supporting 6th Forms	-	2,022,881	2,022,881	-	2,022,881	-
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare.							
-	69,912	1,684,567	1,754,479	-	1,754,479	-	-
Spending in Departmental Expenditure Limits(DEL)							
<i>Central Government spending</i>							
A	Sure Start Current grants not through Local Authorities	-	69,912	88,812	-	88,812	-
B	Sure Start Schools Current grants not through Local Authorities	-	43,340	43,340	-	43,340	-
C	Sure Start Current Grants for Local Area Agreements	-	1	1	-	1	-
<i>Support for Local Authorities</i>							
D	LA Current Grants	-	1,099,301	1,099,301	-	1,099,301	-
E	LA Capital Grants	-	523,025	523,025	-	523,025	-
RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund							
-	-	190,100	190,100	-	190,100	-	-
Spending in Departmental Expenditure Limits(DEL)							
<i>Central Government spending</i>							
A	Children's Fund	-	40,000	40,000	-	40,000	-
<i>Support for Local Authorities</i>							
B	LA Current Grants	-	150,100	150,100	-	150,100	-
Total for Estimate:							
196,773	228,898	49,002,601	49,428,272	9,843	49,418,429	10,170	575

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	62,581,430	-13,163,001	49,418,429
Voted capital items			
Capital	4,335,399	-4,325,229	10,170
<i>Less: Non-operating A in A</i>	<i>621,655</i>	<i>-621,080</i>	<i>575</i>
Total net voted capital	3,713,744	-3,704,149	9,595
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,177	-	-3,177
Depreciation	-20,699	-	-20,699
New provisions and adjustments to previous provisions	-1,424,074	1,418,069	-6,005
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-515,450	515,000	-450
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	7,226	-	7,226
Increase(-)/decrease (+) in creditors	-17,394	-	-17,394
Use of provisions	95,648	-60,000	35,648
Total accruals to cash adjustments	-1,877,920	1,873,069	-4,851
Excess cash to be CFERd	-	-	-
Net Cash Requirement	64,417,254	-14,994,081	49,423,173

Part III: Extra receipts payable to the Consolidated Fund

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

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	101,194	<i>94,125</i>	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	101,194	<i>94,125</i>	-	-

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	192,477
RfR2	-
RfR3	-
Total Net Administration Costs	192,477
Net Programme Costs	
RfR1	46,907,050
RfR2	1,754,479
RfR3	190,100
Total Net Programme costs	48,851,629
Total Net Operating Cost	49,044,106
<i>of which:</i>	
Net Resource Requirement	49,418,429
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction related to Machinery of Government transfers	-374,323
Resource Budget	44,743,625

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08
	Provision
Net Resource Requirement (Estimates)	49,418,429
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Reduction related to Machinery of Government transfers	-374,323
Net Operating Costs (Accounts)	49,044,106
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-4,181,001
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	-172,847
unallocated resource provision	53,367
Other adjustments	-
Resource Budget (Budget)	44,743,625
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	44,731,625
Annually Managed Expenditure (AME)	12,000

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08
	Provision
Net Voted Capital (Estimates)	9,595
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	176,500
capital grants	4,181,001
European Union income related to capital grants	-
supported capital expenditure (revenue)	1,454,002
capital spending by levy funded bodies	-
unallocated capital provision	6,582
Other adjustments	-
Capital Budget (Budget)	5,827,680
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	5,827,680
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills.	
Administration	4,296
<i>of which:</i>	
Sale of goods and services	4,296
Programme	5,547
Sale of goods and services	5,502
EU Income	-
Other grant income (including repayments of grants/subsidies)	-
Interest and dividends	-
Other Income (including receipts)	45
Total RfR1	9,843 †
<p>† Amount that may be applied as appropriations in aid in addition to the net total arising from: sale of National Record of Achievement products; receipts in connection with Childcare Link; Training and Enterprise Councils (TECs) contributions towards the cost of Individual Learning Accounts; receipts covering the return of assets from TECs as part of their winding-up process; recovery of salaries, etc. for seconded staff; receipts from careers service conferences; receipts relating to Skills Training Agency, Qualifications and Curriculum Authority properties and surplus Funding Agency for Schools and TEC properties; receipts from the sale of surplus properties; receipts from outside organisations (including the EC) in respect of advertising and publicity activities and materials; sale of research publications; repayments of grants overpaid to voluntary aided and special schools in previous years, including repayment of proceeds of sale; receipts from the European Social Fund to cover departmental programmes;</p> <p>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 overseas; receipts for teachers TV; International Receipts (including the EC); Schools Standard Fund receipts; Food Standards Agency receipts; Music Manifesto Champion; 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;</p> <p>rent income from three domestic properties on the estate of the European School at Culham, Oxfordshire; contributions from the National Assembly for Wales towards Key Skills; contributions from the National Assembly for Wales and the Scottish Executive for dance and drama students; contributions from the Scottish Executive, the National Assembly for Wales, and the Northern Ireland Executive towards Millennium Volunteers and miscellaneous European Education programmes; contributions from the National Assembly for Wales and the Northern Ireland Executive for the International Mathematics Olympiad; annual maintenance fee from the Northern Ireland Executive for the National Professional Qualification for Headship; contributions from other government departments and other sources towards the costs of promoting UK education and training overseas; receipts for Teachers TV; International Receipts (including the EC); Schools Standard Fund receipts; Music Manifesto Champion; Food Standards Agency receipts; and of research and miscellaneous services and projects;</p> <p>inspection of Jobcentre Plus from the Department of Work and Pensions; Strengthening Families receipts from the Home Office; Literacy and Numeracy receipts; London Challenge receipts; receipts from the Department of Health for Investors in People Healthy Organisations; Student loan interest receivable</p>	
Total Operating A in A	9,843

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

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

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

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

Total Non-Operating A in A	575
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Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	3,950,322	-16,889,872	43,742,773	988,852	44,731,625
<i>of which:</i>					
Administration budget †	-45,221	-	192,477	-	192,477
Near-cash in RDEL	5,368,391	-16,885,073	43,724,442	1,020,454	44,744,896
Capital DEL ††	458,447	-1,625,090	4,366,596	1,461,084	5,827,680
Less Depreciation †††	-	22,944	-8,699	-1,156	-9,855
Total DEL	4,408,769	-18,492,018	48,100,670	2,448,780	50,549,450

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	10,418

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	Body	£ '000
RfR1, Section C	Payment to support Respect Family Intervention projects■	12,000

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1- Q	British Educational Communications and Technology Agency♦	10.6
RfR1- Q	National College for Schools Leadership♦	92.9
RfR1- Q	Training and Development Agency for Schools♥	638.3
RfR1- R	Children and Families Court Advisory and Support Service♥	99.0
RfR1- R	Children's Commissioner♥	0.5
RfR1- T	Qualifications and Curriculum Authority♥	91.1

Notes to the Estimate (*continued*)

Contingent Liabilities

Nature of Liability	£'000
As at 31 March 2008, the following liabilities fell to be met from the Department's Estimate:	
Non-statutory	
The department will meet the accrued Civil Service redundancy entitlement to date of resignation of secondees who resigned from the Department to take up Training and Enterprise (TEC) employment on or after 1 January 1993 in TECs in England and Wales if:	2,500
a) their TEC makes them redundant due to direct government action due to their first five years of employment;	
b) a court or tribunal ever ruled that TEC and civil service employment were continuous for redundancy calculation purposes.	
The department has and will continue to give indemnities to Training and Enterprise Councils (TECs), chamber of Commerce Training and Enterprise Councils (CCTEs), their representative TEC bodies and those concerned with the wind up, transfer or continuation of TEC delivered activity, where this will facilitate the conclusion of the working and contractual relationship between TECs, CCTEs and the Government, thereby ensuring the continuation of essential discretionary activity and the return of residual reserves owing to the Secretary of State at the earliest opportunity. The indemnities will include:	
Liabilities that arise from audit work carried out in respect of the delivery of activities funded through the European union initiatives or through Single Regeneration Budget and other schemes sponsored by Government Departments other than DfES and F40;	60,747
Liabilities that arise from the transfer of TEC/CCTE functions to successors, including from staff who have been transferred or been made redundant, who as a result of the transfer seek redress through the Employment Tribunal; and	1,000
Liabilities arising from properties leased by TECs/CCTEs that they have been unable to dispose of by the time they wind up. The department may take over these leases and dispose of them on behalf of TECs/CCTEs.	4,935
Arrangements to allow the appointment of a receiver to manage the affairs of Nottingham Enterprise Ltd (formerly North Nottingham TEC).	2,000
Arrangements to allow for the appointment of a receiver at any TEC we believe necessary.	6,000
Contract with CfBT for the provision of services relating to the government's drive to raise standards through the primary and Key Stage 3 Strategies.	560
In order to ensure the continue occupancy of a surplus government office, the lease in Histon, Cambridge was assigned in 2003 to Opportunity Links Ltd. They are a company limited by guarantee, working closely with DCSF to support the delivery of information to families. Under the terms of the original lease the Secretary of State is guarantor of the tenants' obligations and in the event of Opportunity Links ceasing to exist, the Secretary of State will be required to take over the lease obligations	1,168

Office for Standards in Education, Children's Services 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: 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			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
A1	An increase in administration costs arising from the transfer of the function of inspection of the Children and Families Court Advisory and Support Service from the Ministry of Justice, following the incorporation of the HM Inspectorate of Court Administration (HMICA) into the new OFSTED on 1 April 2007.	485,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A2	Increase in provision for inspection services relating to work-based learning and training and adult and community learning, funded in budgetary terms by a transfer from the Department for Children, Schools and Families, consequential to the incorporation of the Adult Learning Inspectorate (ALI) into the new OFSTED on 1 April 2007.	17,195,000	
A5	Increase in Appropriations-in-Aid relating to income from the inspection of work-based learning and training and adult and community learning services, funded in budgetary terms by a transfer from the Department for Children, Schools and Families, consequential to the incorporation of the Adult Learning Inspectorate (ALI) into the new OFSTED on 1 April 2007.		-1,271,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A2	Increase in provision for the inspection of post-19 provision in England on behalf of the Department of Work and Pensions	3,703,000	
A5	Increase in Appropriations-in- Aid - recognition of income from the Department of Work and Pensions		-3,703,000
		<u>Total</u>	
Total change in resources for RfR1		21,383,000	-4,974,000
Total change in resources for Estimate			16,409,000

Changes in CapitalSection Reason for changeIncreasesReductions**Changes related to movements in budgets**

A7	Increase in provision to meet IT and accommodation needs of staff involved in the inspection of work-based learning and training and adult and community learning services, funded in budgetary terms by a transfer from the Department for Children, Schools and Families	381,000	
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<u>Total</u>	381,000	-
Total change in capital for Estimate		381,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £24,752,000.
3. Symbols are explained in the Introduction to this booklet.

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

Part I

£

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	†	16,409,000
Total additional net resource requirement	†	16,409,000
Additional net cash requirement	†	24,752,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Office for Standards in Education, Children's Services and Skills on:

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

The registration and inspection of childcare, including child-minding and day care provision; social care services for children; children's homes, family centres, adoption and fostering services and agencies; the Children and Families Court Advisory and Support Service (CAFCASS); children's services in local authorities; maintained schools; independent schools and Independent Schools Inspectorate; initial teacher training; further education colleges and 14-19 provision; work-based learning and funded training; and adult and community learning; and associated non-cash items

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

† The function of inspection of the Children and Families Court Advisory and Support Service (CAFCASS) was transferred from the Ministry of Justice on 1 April 2007. Within the overall changes sought in the Estimate, the specific changes relating to this machinery of government transfer are: (a) the net resource requirement is increased by £485,000 ; and (b) the net cash requirement is increased by £485,000.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: 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					
Spending in Departmental Expenditure Limits (DEL) <i>Central Government spending</i>					
RfR 1 - A Administration and Inspection	204,400	21,383	4,974	16,409	220,809
Total RfR 1		21,383	4,974	16,409	
Total Changes to RfRs		21,383	4,974	16,409	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	600	381	981
Non-Operating A in A	-	-	-
Net cash requirement	202,339	24,752	227,091

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: 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								
29,050	207,200	-	236,250	15,441	220,809	981	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration and Inspection								
29,050	207,200	-	236,250	15,441	220,809	981	-	
Total for Estimate:								
29,050	207,200	-	236,250	15,441	220,809	981	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	204,400	16,409	220,809
Voted capital items			
Capital	600	381	981
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	600	381	981
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-100	-15	-115
Depreciation	-2,500	1,256	-1,244
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	88	1,872	1,960
Increase(-)/decrease (+) in creditors	-149	1,559	1,410
Use of provisions	-	3,290	3,290
Total accruals to cash adjustments	-2,661	7,962	5,301
Excess cash to be CFERd	-	-	-
Net Cash Requirement	202,339	24,752	227,091

Part III: Extra receipts payable to the Consolidated Fund

' As in existing provision'

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	28,955
Total Net Administration Costs	28,955
Net Programme Costs	
RfR1	191,854
Total Net Programme Costs	191,854
Total Net Operating Cost	220,809
<i>of which:</i>	
Net Resource Requirement	220,809
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	220,809

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	220,809
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	220,809
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	220,809
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	220,809
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	981
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	981
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	981
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Christine Gilbert, Her Majesty's Chief Inspector

Christine Gilbert as the Accounting Officer of the Office for Standards in Education, Children's Services and Skills has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office for Standards in Education, Children's Services and Skills.

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08
Provision

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

Administration 95

of which:

Sales of Goods and Services 95

Programme 15,346

of which:

Sales of Goods and Services 15,346

Total RfR1 15,441 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: recoveries of the costs of staff seconded to other bodies; cost of services provided to other departments, non-departmental public and other bodies; sales and use of official cars and assets, property charges made to minor occupiers, registration fees (including fees from childcare and social care providers); and charges for training of inspectors other than Ofsted staff; and recovery of personal telephone costs; and the sale of training material and licences.

Total Operating A in A 15,441

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	16,409		220,809	-	220,809
<i>of which: †</i>					
<i>Administration budget</i>	485	-	28,955	-	28,955
<i>Near-cash in RDEL</i>	15,119	3,290	216,919	3,290	220,209
Capital††	381	-	981	-	981
Less Depreciation†††	-	-	-1,244	-	-1,244
Total	16,790	-	220,546	-	220,546

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

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

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

Cash which may be retained to offset expenditure

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

£'000
15,441

Food Standards Agency

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Protecting and promoting public health in relation to food			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL End-Year Flexibility</u>		
A1	Increase in near-cash administration costs for restructuring of the Food Standards Agency's headquarters operations and related accommodation and support services costs.	4,100,000	
B2	Increase in near-cash programme costs for the restructuring of the Meat Hygiene Service.	4,400,000	
		<u>Total</u>	<u>-</u>
Total change in resources for RfR1		8,500,000	8,500,000
Total change in resources for Estimate			8,500,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
	<u>Take up of End Year Flexibility</u>		
A7	To fund increased investment in IT hardware and infrastructure.	1,300,000	
		<u>Total</u>	<u>-</u>
Total change in capital for Estimate		1,300,000	1,300,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £18,800,000

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

Food Standards Agency

Part I

£

RfR 1: Protecting and promoting public health in relation to food	8,500,000
Total additional net resource requirement	8,500,000
Additional net cash requirement	18,800,000

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

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

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

The Food Standards Agency will account for this Estimate.

Part II: Changes proposed

						£'000
Resources		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Protecting and promoting public health in relation to food						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1 - A	Food Standards Agency HQ Operations	108,892	4,100	-	4,100	112,992
RfR 1 - B	Meat Hygiene Service	35,000	4,400	-	4,400	39,400
	Total RfR 1		8,500	-	8,500	
	Total Changes to RfRs		8,500	-	8,500	

		£000		
	Present Provision	Change in Provision	New Provision	
Capital and Cash				
Total Capital Expenditure	647	1,300	1,947	
Non-Operating A in A	-	-	-	
Net cash requirement	141,731	18,800	160,531	

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Protecting and promoting public health in relation to food							
57,015	163,911	-	220,926	68,534	152,392	1,947	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Food Standards Agency HQ Operations							
57,015	59,211	-	116,226	3,234	112,992	1,622	-
B Meat Hygiene Service							
-	104,700	-	104,700	65,300	39,400	325	-
Total for Estimate:							
57,015	163,911	-	220,926	68,534	152,392	1,947	-

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	143,892	8,500	152,392
Voted capital items			
Capital	647	1,300	1,947
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	647	1,300	1,947
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-762	-	-762
Depreciation	-2,004	-	-2,004
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-42	-	-42
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	9,000	9,000
Use of provisions	-	-	-
Total accruals to cash adjustments	-2,808	9,000	6,192
Excess cash to be CFERd	-	-	-
Net Cash Requirement	141,731	18,800	160,531

Part III: Extra receipts payable to the Consolidated Fund

' As in existing provision'

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	56,515
Total Net Administration Costs	56,515
Net Programme Costs	
RfR1	95,877
Total Net Programme Costs	95,877
Total Net Operating Cost	152,392
<i>of which:</i>	
Net Resource Requirement	152,392
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	152,392

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	152,392
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	152,392
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	152,392
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	152,392
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	1,947
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	1,947
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,947
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 John Harwood, Chief Executive of Food Standards Agency

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Protecting and promoting public health in relation to food	
Administration	500
<i>of which:</i>	
Sale of Goods and Services	500
Programme	68,034
<i>of which:</i>	
Sale of Goods and Services	68,034
Total RfR1	68,534 †
<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	68,534

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	8,500	-	152,392	-	152,392
<i>of which: †</i>					
<i>Administration budget*</i>	4,100	-	56,515	-	56,515
<i>Near-cash in RDEL</i>	8,500	-	149,584	-	149,584
Capital††	1,300	-	1,947	-	1,947
Less Depreciation†††	-	-	-2,004	-	-2,004
Total	9,800	-	152,335	-	152,335

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	68,534

Department for Transport

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Promoting transport that works for everybody			
<u>Section</u> <u>Reason for change</u>			
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
Amount: £178,272,000			
Sections: L, P, AD, AE			
L2	To increase near cash resource provision for Railways (Section L) by £136,858,000 to cover pressures arising from increases in franchising costs;	136,858,000	
AD3	GLA Transport grant (resource) (Section AD) by £10,030,000 for Transport for London to meet pressures resulting from insufficient funding in the Spending Review 2004;	10,030,000	
AE3	and Other transport grants (resource) (Section AE) by £20,384,000 to assist with the preparation for introduction of concessionary fares.	20,384,000	
P5	To reduce appropriations-in-aid provision for Vehicle Excise Duty Enforcement (Section P) by £11,000,000 to cover a shortfall in enforcement receipts.	11,000,000	
<u>Take up of Departmental Unallocated Provision</u>			
Amount: £168,000,000			
Section: L			
L3	To increase capital grant provision for Railways (Section L) by £168,000,000 for Network Grants.	168,000,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
Amount: £292,000			
Section: X			
X1	To increase administrative near cash provision for Central Administration (Section X) by £292,000 by transfer from the Cabinet Office in respect of the Parliamentary Counsel Office's costs.	292,000	
Amount: -£25,947,000			
Section: L			
L2, L3	To decrease near cash provision for Railways (Section L) by £8,947,000 and capital grant provision by £17,000,000 by transfer to the Scottish Executive for railway services.		-25,947,000

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

Amount: £15,000,000

Section: P

P5	To decrease appropriation-in-aid provision for Vehicle Excise Duty enforcement (Section P) by £15,000,000 by transfer to CFERs following the agreement to end the netting off scheme for enforcement receipts from 2007/08.	15,000,000
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Other changesResource transfers within the Request for Resources

Amount: £70,451,000

Sections: B, G, H, I, J, L, N, AA, AD, AE

To increase resource provision for:

B2	Maritime and Coastguard Agency (Section B) by £170,000 from Section A;	170,000
G2	Research (Section G) by £1,000,000 from Section AA;	1,000,000
H2	Statistics, censuses and surveys (Section H) by £100,000 from Section A and £1,000,000 from Section AE;	1,100,000
I2	Consultancies and other services for roads and local transport (Section I) by £4,590,000 from Section AE;	4,590,000
J2, J3	Mobility and Inclusion Unit (Section J) by £1,500,000 from Section G;	1,500,000
L2, L3	Railways (Section L) by £21,625,000 from Section AE;	21,625,000
N3	Freight grants (Section N) by £2,900,000 from Section AE to reflect forecast uptake of grants;	2,900,000
AA2	Other River Crossings (Section AA) by £12,000,000 from Section L for the Humber Bridge's cost of capital charges;	12,000,000
AD3	GLA transport grant (resource) (Section AD) by £10,500,000 from Section AE;	10,500,000
AE3	Other transport grants (resource) (Section AE) by £240,000 from Section H, £11,047,000 from Section L for Merseyrail and £3,779,000 from Section O.	15,066,000

Amount: -£70,451,000

Sections: A, G, H, L, O, AA, AE

A2,	To decrease resource provision for: Ports and shipping services (Section A) by £170,000 to Section B and £100,000 to Section H; Research	-70,451,000
G2,	(Section G) by £1,500,000 to Section J; Statistics, censuses and surveys	
H2, L2,	(Section H) by £240,000 to Section AE; Railways (Section L) by	
O2,	£12,000,000 to Section AA and £11,047,000 to Section AE; Bus Service	
AA2,	Operators Grant (Section O) by £3,779,000 to Section AE; Other River	
AE3	Crossings (Section AA) by £1,000,000 to Section G; Other transport grants (resource) (Section AE) by £1,000,000 to Section H, £21,625,000 to Section L, £4,590,000 to Section I, £2,900,000 to Section N and £10,500,000 to Section AD.	

Transfers to/from non-voted spending

Amount: £126,342,000

Sections: L, P, U, V, W, AF

L2, L3	To increase near cash resource provision for Railways (Section L) by £7,900,000 from reduced utilisation of provision for BR pensions, NFC travel concessions and pensions, £142,000 for rail franchising and £21,000 from the British Transport Police Authority for rail franchising;	8,063,000
P5	Vehicle Excise Duty enforcement (Section P) by £8,150,000 to cover a shortfall in enforcement receipts;	8,150,000

W2	the Driver, Vehicle and Operator Group - enforcement (Section W) by £3,800,000 for additional enforcement work.	3,800,000
U2	To increase non cash resource provision for the Driving Standards Agency trading fund (Section U) by £600,000 to cover increased cost of capital charges;	600,000
V2	and the Vehicle and Operator Services Agency trading fund (Section V) by £1,700,000 to cover pressures.	1,700,000
L2, L3	To increase capital grants provision for Network Grants (Section L) by £2,500,000 from the British Transport Police Authority and £66,167,000 from London and Continental Railways;	68,667,000
AF3	and Other transport grants (capital) (Section AF) by £35,362,000 in respect of maintenance payments to local authorities.	35,362,000

Amount: -£8,142,000
Section: L

	To decrease near cash resource provision for Railways (Section L) by £242,000 by transfer from rail franchising to the Rail Passenger Council;	-242,000
L2, L3	and to decrease non cash provision for Railways (Section L) by £7,900,000 to cover utilisation of provision.	-7,900,000

Transfers from Programme to Administration

Amount: £38,288,000
Sections: A, C, D, G, H, J, L, X

	To increase administrative provision for Central Administration (Section X) by £38,288,000 to cover the reclassification of certain consultancies by transfers from:	38,288,000
X1		
A2	Ports and shipping services (Section A)	-781,000
C2	Aviation services (Section C)	-33,000
D2	Transport security and royal travel (Section D)	-308,000
G2	Research (Section G)	-7,443,000
H2	Statistics, censuses and surveys (Section H)	-3,051,000
J2	Mobility and Inclusion Unit (Section J)	-441,000
L2	Railways (Section L), and	-24,450,000
X2	Transport Direct (Section X)	-1,781,000

Transfers from Administration to Programme

Amount: £7,869,000
Sections: D, F, X

	To decrease administrative provision for Central Administration (Section X) by £7,869,000 in respect of Transport security front line staff by transfers to:	-7,869,000
X1		
D2	Transport security and royal travel (Section D)	7,869,000

Transfers from capital to capital grants

Amount: £5,315,000

Section: AF

AF3	To increase capital grant provision for Other transport grants (capital) (Section AF) by £5,175,000 by transfer from Section G for de-trunking and by £140,000 from Section J for Congestion Performance Fund.	5,315,000
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Changes in operating appropriations-in-aid (fully offset by changes in spending)

Amount: £207,191,000

Sections: C, L, U, V, W

C2, C3 and C5	To increase near cash resource provision for Aviation services (Section C) by £150,000, fully offset by an increase in appropriations-in-aid provision.
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L2, L5	To increase near cash resource provision for Railways (Section L) by £204,541,000 for franchising costs, fully offset by an increase in franchising receipts (£203,651,000) and receipts from CTRL Eurostar (£890,000).
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W2 and U2, U5	To increase near cash resource provision for the Driver, Vehicle and Operator Group - enforcement (Section W) by £2,500,000, fully offset by increases in appropriations-in-aid provisions for Section U (£1,200,000) and Section V (£1,300,000).
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	<u>Total</u>	609,829,000	-150,697,000
Total change in resources for RfR1			459,132,000

	Total change in resources for Estimate	459,132,000
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Changes in Capital

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

Other changes

Transfers to/from non-voted spending

Amount: -£7,200,000

Sections: Z

Z7	To decrease capital provision for the Driver, Vehicle and Operator Group Central (including loan pool) (Section Z) by £7,200,000 to cover their investment on ongoing projects.	-7,200,000
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Transfers from capital to capital grants

Amount: -£5,315,000

Sections: G, J

G7	To decrease capital provision for Research (Section G) by £5,175,000 by transfer to Section AF.	-5,175,000
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J7	To decrease capital provision for the Mobility and Inclusion Unit (Section J) by £140,000 by transfer to Section AF.	-140,000
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Changes in non-operating appropriations-in-aid (fully offset by changes in spending)

Amount: £2,400,000

Sections: U, V, Z

Z7, offset in U8, V8	To increase capital provision for the Driver, Vehicle and Operator Group Central (including loan pool) (Section Z) by £2,400,000, fully offset by increases in non-operating appropriations-in-aid provision for Section U (£600,000) and Section V (£1,800,000).	2,400,000	-2,400,000
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	<u>Total</u>	<u>2,400,000</u>	<u>-14,915,000</u>
Total change in capital for Estimate			-12,515,000

Changes to CFER's

To increase provision for the Driver and Vehicle Licensing Agency by £15,208,000, of which £15,000,000 transferred from Section P's appropriations-in-aid provision following the agreement to end the netting off scheme for VED enforcement receipts from 2007/08.

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £395,551,000.
3. Symbols are explained in the Introduction to this booklet.

Department for Transport

Part I

	£
RfR 1: Promoting transport that works for everybody	459,132,000
Total additional net resource requirement	459,132,000
Additional net cash requirement	395,551,000

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

RfR 1: Promoting transport that works for everybody

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

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

Part II: Changes proposed

Resources	£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Promoting transport that works for everybody						
Spending in Departmental Expenditure Limits (DEL)						
RfR 1 - A	Ports and shipping services	16,389	-1,051	-	-1,051	15,338
RfR 1 - B	Maritime and Coastguard Agency	120,107	170	-	170	120,277
RfR 1 - C	Aviation services	21,765	117	150	-33	21,732
RfR 1 - D	Transport security and royal travel	18,700	7,561	-	7,561	26,261
RfR 1 - G	Research	38,568	-7,943	-	-7,943	30,625
RfR 1 - H	Statistics, censuses and surveys	13,478	-2,191	-	-2,191	11,287
RfR 1 - I	Consultancies and other services for roads and local transport	5,799	4,590	-	4,590	10,389
RfR 1 - J	Mobility and Inclusion Unit	4,963	1,059	-	1,059	6,022
RfR 1 - L	Railways	3,536,136	526,168	204,541	321,627	3,857,763
RfR 1 - N	Freight Grants	22,608	2,900	-	2,900	25,508
RfR 1 - O	Bus Service Operator Grant	417,300	-3,779	-	-3,779	413,521
RfR 1 - P	Vehicle Excise Duty enforcement	-34,450	-	-34,150	34,150	-300
RfR 1 - U	Driving Standards Agency trading fund	-205	600	1,200	-600	-805
RfR 1 - V	Vehicle and Operator Services Agency trading fund	-1,241	1,700	1,300	400	-841
RfR 1 - W	Vehicle and Operator Services Agency enforcement	11,421	6,300	-	6,300	17,721
RfR 1 - X	Central Administration	180,716	28,930	-	28,930	209,646
RfR 1 - AA	Other River Crossings	-	11,000	-	11,000	11,000
<i>Support for Local Authorities</i>						
RfR 1 - AD	GLA Transport Grant (resource)	2,375,970	20,530	-	20,530	2,396,500
RfR 1 - AE	Other transport grants (resource)	567,449	-5,165	-	-5,165	562,284
RfR 1 - AF	Other transport grants (capital)	1,045,506	40,677	-	40,677	1,086,183
Total RfR 1			632,173	173,041	459,132	
Total Changes to RfRs			632,173	173,041	459,132	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	1,161,974	-10,115	1,151,859
Non-Operating A in A	26,791	2,400	29,191
Net cash requirement	11,419,599	395,551	11,815,150

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Promoting transport that works for everybody							
308,622	6,806,259	7,929,760	15,044,641	425,851	14,618,790	1,151,859	29,191
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Ports and shipping services							
-	16,798	-	16,798	1,460	15,338	4,493	-
B Maritime and Coastguard Agency							
-	128,097	80	128,177	7,900	120,277	7,500	-
C Aviation services							
-	23,198	51,325	74,523	52,791	21,732	257	-
D Transport security and royal travel							
-	19,261	7,000	26,261	-	26,261	680	-
E Highways Agency							
95,128	1,905,232	-	2,000,360	36,225	1,964,135	1,076,365	16,256
F Publicity and advice							
-	16,476	3,521	19,997	-	19,997	-	-
G Research							
-	30,625	-	30,625	-	30,625	2,793	-
H Statistics, censuses and surveys							
-	11,287	-	11,287	-	11,287	1,000	-
I Consultancies and other services for roads and local transport							
-	10,114	350	10,464	75	10,389	-	-
J Mobility and Inclusion Unit							
-	2,297	3,745	6,042	20	6,022	-	-
K Strategic Transport Studies							
-	1,500	-	1,500	-	1,500	-	-
L Railways							
-	679,251	3,383,053	4,062,304	204,541	3,857,763	-	-
M Commission for Integrated Transport							
-	1,500	-	1,500	-	1,500	-	-
N Freight Grants							
-	10,000	15,508	25,508	-	25,508	-	-
O Bus Service Operator Grant							
-	413,521	-	413,521	-	413,521	-	-
P Vehicle Excise Duty enforcement							
-	-	-	-	300	-300	-	-
Q Vehicle Certification Agency enforcement							
-	1,300	-	1,300	-	1,300	-	-

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
R	Vehicle Certification Agency	-	10,932	10,820	112	300	-	
S	Power Shift and CleanUp	9,000	18,000	-	18,000	-	-	
T	Dartford River Crossing	-	-	67,000	-67,000	-	-	
U	Driving Standards Agency trading fund	935	935	1,740	-805	-	2,052	
V	Vehicle and Operator Services Agency trading fund	2,852	2,852	3,693	-841	-	5,743	
W	Vehicle and Operator Services Agency enforcement	17,721	17,721	-	17,721	-	-	
X	Central Administration	19,437	215,618	5,972	209,646	22,753	-	
Y	Trans-European network payments for transport projects (net)	3	3	-	3	-	-	
Z	Driver, Vehicle and Operator Group central (including loan pool)	-	-	-	-	34,295	-	
AA	Other River Crossings	27,001	27,001	16,001	11,000	-	-	
AB	Haulage efficiency and modernisation projects	2,000	2,000	-	2,000	-	-	
AC	Government Car and Despatch Agency	-	17,313	17,313	-	1,423	140	
<i>Support for Local Authorities</i>								
AD	GLA Transport Grant (resource)	2,396,500	2,396,500	-	2,396,500	-	-	
AE	Other transport grants (resource)	562,284	562,284	-	562,284	-	-	
AF	Other transport grants (capital)	1,086,183	1,086,183	-	1,086,183	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
AG	Highways Agency	3,445,924	3,445,924	-	3,445,924	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
Non-Budget								
AH Grant in Aid funding of NDPBs and Public Corporations								
-	-	182,700	182,700	-	182,700	-	5,000	
AI Driver and Vehicle Licensing Agency (trading fund)								
-	-	228,508	228,508	-	228,508	-	-	
Total for Estimate:								
308,622	6,806,259	7,929,760	15,044,641	425,851	14,618,790	1,151,859	29,191	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>Revised</u>
			£'000
Net Resource Requirement	14,159,658	459,132	14,618,790
Voted capital items			
Capital	1,161,974	-10,115	1,151,859
<i>Less: Non-operating A in A</i>	<i>26,791</i>	<i>2,400</i>	<i>29,191</i>
Total net voted capital	1,135,183	-12,515	1,122,668
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,820,913	-1,300	-2,822,213
Depreciation	-946,589	-1,000	-947,589
New provisions and adjustments to previous provisions	-297,629	7,900	-289,729
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-816	-	-816
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-48,766	-48,766
Use of provisions	190,705	-7,900	182,805
Total accruals to cash adjustments	-3,875,242	-51,066	-3,926,308
Excess cash to be CFERd	-	-	-
Net Cash Requirement	11,419,599	395,551	11,815,150

Part III: Extra receipts payable to the Consolidated Fund

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

	<u>Present provision</u>		<u>New provision</u>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	10,339	<i>10,339</i>	10,339	<i>10,339</i>
Non-operating income not classified as A in A	1,662	<i>1,662</i>	1,662	<i>1,662</i>
Other amounts collectable on behalf of the Consolidated Fund	129,950	<i>129,950</i>	145,158	<i>145,158</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	141,951	<i>141,951</i>	157,159	<i>157,159</i>

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	285,181
Total Net Administration Costs	285,181
Net Programme Costs	
RfR1	14,323,270
Non-voted	
Total Net Programme costs	14,323,270
Total Net Operating Cost	14,608,451
<i>of which:</i>	
Net Resource Requirement	14,618,790
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-10,339
Resource Budget	10,371,401

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	14,618,790
<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	-10,339
Other adjustments	-
Net Operating Costs (Accounts)	14,608,451
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-4,337,834
European Union income related to capital grants	27,666
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-125,550
unallocated resource provision	111,468
Other adjustments	87,200
Resource Budget (Budget)	10,371,401
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	6,925,477
Annually Managed Expenditure (AME)	3,445,924

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	1,122,668
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-1,662
capital spending by non departmental public bodies	20,700
capital grants	4,337,834
European Union income related to capital grants	-27,666
supported capital expenditure (revenue)	821,457
capital spending by levy funded bodies	-
unallocated capital provision	56,054
Other adjustments	213,993
Capital Budget (Budget)	6,543,378
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,543,378
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Robert Devereux, Permanent Head of the Department

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Promoting transport that works for everybody	
Administration	23,441
<i>of which:</i>	
Sale of goods and services	23,441
Programme	402,410
<i>of which:</i>	
Sale of goods and services	122,884
Regulatory licences, fines, penalties and taxes	300
EU income	50,450
Other grant income (including repayment of grants/subsidies)	203,651
Interest and dividends	25,125
CFERs	
Other income (including receipts)	
Total RfR1	425,851 †
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: research, statistical and administrative services; fee paying enquiries; dissemination and sales of information, royalties, the loan and hire of equipment, seminars, conferences, and publication (in print and non-print media); sponsorship, including contributions from co-sponsors, other government departments, agencies and non-departmental public bodies towards the cost of research, surveys and studies; receipts from the European Union including receipts relating to the PHARE programme, donations, legal claims, including extra-contractual claims for defective work; awards of court costs and out of court settlements; receipts from the use of accommodation; rental income and receipts from property and land;</p> <p>the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; fees for driving assessments; speed and red light camera fixed penalty receipts; fines from wheelclamping and continuous registration; charges for vehicle and component testing; recoveries from local authorities in respect of public enquiries into highway orders; the sale of land on completion or abandonment of highway schemes; receipts from Dartford River Crossing Ltd; receipts from claims for damage to motorways and trunk roads; contributions from developers to transport schemes; recoveries of costs of civil aviation services; the sale of civil aviation items; repayments of loans or other payments made to National Air Traffic Services; repayments of loans or other payments under section 63 of the</p> <p>Railways Act 1993 to Railtrack plc (in administration); receipts from the Strategic Rail Authority and the British Transport Police Authority; the Channel Tunnel Rail Link, Eurostar and the Scottish Executive; receipts in respect of railways and railway services; fees and receipts from the surveys of ships, Port State Control inspections, examinations and the certification of seafarers and receipts from the Learning and Skills Council for SmarT seafarer training; recoveries in respect of the International Maritime Organisation building; the Mersey Conservancy; shipping services; ports and associated pension and compensation schemes and receipts from outside organisations in respect of the provision by MAIB staff of investigation expertise and training; Eurocontrol; subsidy provided under the New Deal - Welfare to Work; repayments of deemed and voted loans made to the Driver and Vehicle</p> <p>Licensing Agency; receipts in respect of Vehicle Excise duty enforcement activities; Vehicle and Operator Services Agency and the Driving Standards Agency; plus Other River Crossings; payments from the Department for Communities and Local Government in respect of certain central services; payments from the Department for Work and Pensions in respect of transitional administration costs; receipts from the trading and programme activities of the Government Car Despatch Agency; and receipts relating to the administration and operation of the department.</p>	
Total Operating A in A	425,851

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

Programme	29,191
<i>of which:</i>	
Sale of assets	16,396
Loan, etc., repayments	12,795

Total RfR1	29,191 †
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† Amounts that may be applied as non-operating appropriations in aid, arising from: the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan or hire of equipment; the sale of motorway service area freeholds; repayments of loans or other payments made to National Air Traffic Services; repayments of loans or other payments made under Section 63 of the Railways Act 1993 to Railtrack plc (in administration); the Channel Tunnel Rail Link; repayments of deemed and voted loans made to the Driver and Vehicle Licensing Agency; Vehicle and Operator Services Agency, the Driving Standards Agency and the British Transport Police Authority.

Total Non - operating A in A	29,191
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2007-08 provision	
		Income	Receipts
Tyne Tunnel	Φ	-	-
Second Mersey Tunnel	Φ	1,662	1,662
Bus Service Operator Grant	Φ	300	300
Highways Agency	Φ	10,000	10,000
Driver and Vehicle Licensing Agency (trading fund)	Φ	145,158	145,158
Central Administration	Φ	39	39
Total		157,159	157,159

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	198,788	22,305	6,451,490	473,987	6,925,477
<i>of which: †</i>					
Administration budget	30,711	-624	285,181	4,203	289,384
Near-cash in RDEL	204,388	16,705	5,790,429	638,402	6,428,831
Capital ††	247,829	-264,829	5,437,836	1,105,542	6,543,378
Less Depreciation†††	-1,000	-5,252	-357,709	-5,568	-363,277
Total	445,617	-247,776	11,531,617	1,573,961	13,105,578

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	455,042

Expenditure resting on the sole authority of the Appropriation Act

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

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

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1 - AH	British Transport Police Authority	5,400
RfR1 - AH	Rail Passenger Council	4,500
RfR1 - AH	London and Continental Railways	172,800
RfR1 - AI	Driver and Vehicle Licensing Agency (trading fund)	228,508
		<hr/>
		411,208

International subscriptions

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

Office of Rail Regulation

Introduction

1. This Supplementary Estimate is required because of movements in creditors have led to an increase in the net cash requirement of £ 4,545,000.

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

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

Office of Rail Regulation

Part I

	£
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation.	-
Total additional net resource requirement	-
Additional net cash requirement	4,545,000

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

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

Administration, capital expenditure and associated non-cash items.

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

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation.					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration, associated capital and other expenditure	1	-	-	-	1
RfR1 - B Rail Safety Regulation	1	-	-	-	1
Total RfR 1		-	-	-	
Total Changes to RfRs		-	-	-	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	1	4,545	4,546

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation.							
32,689	-	15	32,704	32,702	2	500	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Administration, associated capital and other expenditure							
13,817	-	7	13,824	13,823	1	500	-
B Rail Safety Regulation							
18,872	-	8	18,880	18,879	1	-	-
Total for Estimate:							
32,689	-	15	32,704	32,702	2	500	-

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	Revised
			£'000
Net Resource Requirement	2	-	2
Voted capital items			
Capital	500	-	500
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	500	-	500
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-119	-	-119
Depreciation	-961	-	-961
New provisions and adjustments to previous provisions	-25	-	-25
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-35	-	-35
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	5,178	5,178
Use of provisions	6	-	6
Total accruals to cash adjustments	-1,134	5,178	4,044
Excess cash to be CFERd	633	-633	-
Net Cash Requirement	1	4,545	4,546

Part III: Extra receipts payable to the Consolidated Fund

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

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	<i>633</i>	-	-
Total	-	<i>633</i>	-	-

Forecast Operating Cost Statement

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

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	500
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	500
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	500
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Bill Emery, permanent head of department

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

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

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-	-	2	-	2
<i>of which: †</i>					
Administration budget	-	-	2	-	2
Near-cash in RDEL	-	-	-1,138	6	-1,132
Capital DEL ††	-	-	500	-	500
Less Depreciation †††	-	-	-961	-	-961
Total DEL	-	-	-459	-	-459

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

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

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

Cash which may be retained to offset expenditure

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

Department for Communities and Local Government

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
<i>Administration costs (near-cash)</i>			
To increase provision for:			
F	Central administration	3,000,000	
<i>Other resource DEL (near-cash)</i>			
To increase provision for:			
A	Home buying and selling	1,048,000	
B	Procurement efficiency and social housing	2,015,000	
C	Safer and Stronger Communities Fund	4,000,000	
C	Homelessness	463,000	
F	Central administration	7,000,000	
G	Government office administration	2,818,000	
I	European Regional Development Fund "Interreg"	682,000	
O	New Deal for Communities	8,265,000	
O	Disabled Facilities Grant	382,000	
P	Fire services	331,000	
S	Local Area Agreements	13,390,000	
<i>Capital grants(capital DEL)</i>			
To increase provision for:			
A	Thames Gateway	4,000,000	
B	Gap funding for Large Scale Voluntary Transfers	80,000,000	
C	Coalfields Regeneration Trust	500,000	
M	Gypsy Site Grant	1,500,000	
M	Housing Market Renewal Fund	2,949,000	
O	New Deal for Communities	9,500,000	
O	Disabled Facilities Grant	6,184,000	
P	Flood recovery	7,000,000	
S	Local Area Agreements	2,929,000	
<u>Machinery of Government changes</u>			
<i>Administration costs (near-cash)</i>			
To decrease provision for:			
F	Central administration arising from transfer of Regional Policy functions to the Department for Business, Enterprise and Regulatory Reform		-641,000
F	Central administration arising from transfer of equalities functions to the Government Equalities Office		-3,885,000

	<i>Other resource (near-cash)</i>	
	To decrease provision for:	
C	equalities functions arising from transfer of functions to the Government Equalities Office	-22,911,000
	<u>Take up of Departmental Unallocated Provision</u>	
	<i>Other resource (non-cash)</i>	
	To increase provision for:	
A	Residential Property Tribunal Service	143,000
A	E planning	3,000,000
A	Thames Gateway	1,445,000
B	National Register of Social Housing	1,255,000
C	Coalfields Enterprise Fund	500,000
C	Supporting People administration	190,000
D	Fire Service College	876,000
	<u>Transfers of budgetary cover to/from other government departments</u>	
	<i>Administration costs (near-cash)</i>	
	To increase provision for:	
F	Central administration from the former Deputy Prime Minister's Office for staff returning to the Department for Communities and Local Government	786,000
F	Central administration from the Department for Business, Enterprise and Regulatory Reform for outstanding accommodation and staffing costs for the Women and Equalities unit	125,000
F	Central administration from the Cabinet Office for the Department's use of Parliamentary Counsel	413,000
G	Government Office administration from the Department for Transport for staff early exit costs	624,000
G	Government Office administration from the Department for the Environment, Food and Rural Affairs for additional functions to be performed by the Government Offices	4,039,000
G	Government Office administration from Cabinet Office for third sector work on community cohesion	764,000
	<i>Administration costs (non-cash)</i>	
	To increase provision for:	
F	Central administration from the former Deputy Prime Minister's Office - non-cash costs related to staff returning to the Department for Communities and Local Government	20,000
	<u>Other Changes in DEL Spending</u>	
	<i>Administration costs (near-cash)</i>	
	To increase provision for:	
F	Central administration - reclassification of consultancy expenditure from programme costs	2,557,000
	<i>Other resource (near-cash)</i>	
	To decrease provision for:	
A	Home Buying and Selling - reclassification of consultancy expenditure to administration costs	-814,000

B	Building Regulations - reclassification of consultancy expenditure to administration costs		-1,363,000
F	Mapping Data Services - reclassification of consultancy expenditure to administration costs		-380,000
	<i>Capital grants(capital DEL)</i>		
	To increase provision for:		
P	Flood recovery (transfer from non-voted Local Government DEL)	5,000,000	
	<u>Changes in Annually Managed Expenditure (AME)</u>		
	To decrease provision for:		
T	Housing Revenue Account Subsidy		-37,000
	<u>Other changes</u>		
	<u>Resource transfers to/from another Request for Resources</u>		
	<i>Other resource (near-cash)</i>		
	To decrease provision for:		
D	Fire publicity (transferring funding to Best Value Inspectorate, RfR2, Section B)		-1,700,000
	<i>Capital grants(capital DEL)</i>		
	To increase provision for:		
P	Flood recovery (transferring funding from Local Government Public Service Agreements, RfR2, Section G)	8,000,000	
	<u>Resource transfers within the Request for Resources</u>		
	<i>Administration costs (near- cash)</i>		
	To adjust provision for:		
F	Central administration		-9,829,000
D	Fire Service Statistics		-1,000
G	Government Office Administration	9,830,000	
	<i>Other resource (near- cash)</i>		
	To adjust provision for:		
A	Gypsy Site Grant	307,000	
A	Research	773,000	
A	Other growth areas		-812,000
A	Regional housing board		-461,000
A	Housing Market Renewal Fund		-8,700,000
A	Thames Gateway		-5,609,000
A	Home buying and selling	10,609,000	
A	Tenants' deposit scheme	500,000	
A	Planning and publicity		-3,385,000
A	E planning		-770,000
A	Planning Inspectorate	13,248,000	
A	New horizons		-51,000
A	New growth points		-156,000
B	Commission for Architecture and the Built Environment	150,000	
B	Trees and hedges	185,000	
B	Housing Action Trusts		-500,000
B	Housing Management Grants		-500,000
B	Energy performance directive	1,761,000	
B	Building regulations		-432,000

Department for Communities and Local Government

Winter Supplementary Estimate, 2007-08

C	Community policy	5,693,000	
C	Safer and Stronger Communities Fund		-3,223,000
C	Coalfields Regeneration Trust		-500,000
C	Homelessness	1,100,000	
C	Supporting People administration		-1,941,000
C	Liveability performance		-185,000
D	Best value intervention in housing		-900,000
D	Efficiency improvements in local government		-300,000
D	Housing Employment Mobility Service		-800,000
D	Fire services, publicity and Fire Service College	4,251,000	
D	Emergency fire service		-456,000
E	Regional chambers	436,000	
E	Regional Development Agencies	2,000,000	
F	Central administration	2,466,000	
F	Mapping Data Services		-1,749,000
I	"Interreg"	1,020,000	
I	European Regional Development Fund losses and write offs		-1,600,000
J	Ordnance Survey		-2,260,000
K	Queen Elizabeth II Conference Centre		-206,000
M	Housing Market Renewal Fund	7,751,000	
M	Planning Delivery Grant		-5,300,000
O	Supporting People administration	1,941,000	
O	Homelessness		-3,600,000
P	Fire Services		-3,795,000
S	Local Area Agreements		-6,000,000

Other resource (non- cash)

To adjust provision for:

A	E planning	2,000,000	
A	Planning Inspectorate		-2,000,000

Capital grants (capital DEL)

To adjust provision for:

B	Housing Action Trusts	2,310,000	
C	Homelessness	1,732,000	
M	Thames Gateway		-2,310,000.
O	Homelessness		-1,732,000

Transfers to/from non-voted spending

Administration costs (non -cash)

To adjust provision for:

F	Central administration		-2,557,000
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Other resource (near-cash)

To decrease provision for:

A	Thames Gateway		-10,100,000
A	Other Growth Areas		-3,144,000
A	Housing Corporation board members' remuneration		-3,000
A	Valuation Office right to buy charges		-23,000
A	Communications		-722,000
A	Energy performance certificates		-2,000,000
B	Housing management grants		-190,000
B	Building regulations		-214,000
C	Safer and Stronger Communities Fund		-300,000

Capital grants(capital DEL)

To decrease provision for:

A	Thames Gateway		-2,040,000
A	Other Growth Areas		-16,349,000

M	Thames Gateway		-90,093,000
<u>Changes in non budget spending</u>			
To increase grant-in-aid provision for:			
W	Other Growth Areas (West Northamptonshire Urban Development Corporation)	17,000,000	
W	Other Growth Areas (English Partnerships- Urban Regeneration Agency)	2,449,000	
W	Thames Gateway (South East of England Regional Development Agency)	6,800,000	
W	Thames Gateway (East of England Regional Development Agency)	1,699,000	
W	Thames Gateway (Housing Corporation)	2,100,000	
W	Thames Gateway (English Partnerships- Urban Regeneration Agency)	10,704,000	
W	Thames Gateway (Thurrock Urban Development Corporation)	29,150,000	
W	Thames Gateway (London Thames Gateway Urban Development Corporation)	54,090,000	
W	Housing Corporation	2,300,000	
W	Leasehold Enfranchisement advisory service	190,000	
<u>Transfers from capital to capital grants</u>			
N	To decrease provision for: Procurement Efficiency in Social Housing		-100,000
<u>Machinery of government changes in non-budget spending</u>			
To decrease grant-in aid provision for:			
Z	Commission for Racial Equality to Government Equalities Office		-19,100,000
Z	Commission for Equality and Human Rights to Government Equalities Office		-13,846,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
To increase provision for expenditure and corresponding appropriations in aid:			
A	Residential Property Tribunal Service		120,000
A	Residential Property Tribunal Service	-120,000	
C	Adults Facing Chronic Exclusion		1,140,000
C	Adults Facing Chronic Exclusion	-1,140,000	
C	Community empowerment		250,000
C	Community empowerment	-250,000	
F	Mapping Data Services		5,000,000
F	Mapping Data Services	-5,000,000	
F	Central Administration		1,106,000
F	Central Administration	-1,106,000	
G	Government Offices		14,861,000
G	Government Offices	-14,861,000	
J	Ordnance Survey		2,260,000
J	Ordnance Survey	-2,260,000	
K	Queen Elizabeth II Conference Centre		206,000
K	Queen Elizabeth II Conference Centre	-206,000	
L	Local Area Agreements	-553,217,000	
S	Local Area Agreements		553,217,000

	To decrease provision for expenditure and corresponding appropriations in aid:		
D	Emergency fire service	1,777,000	
D	Emergency fire service		-1,777,000.
		<u>Total</u>	<u>-192,145,000</u> <u>313,808,000</u>
	Total change in resources for RfR1		121,663,000

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

Changes in resources

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Changes in Annually Managed Expenditure (AME)</u>			
	To increase provision for:		
H	National Non-Domestic Rates outturn adjustments	65,000,000	
H	Local Authority Business Growth Incentive Scheme	81,599,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
<i>Other resource (near-cash)</i>			
	To increase provision for:		
B	Best Value Inspectorate (transferring funding from fire publicity, RfR1, Section D)	1,700,000	
<i>Capital grants(capital DEL)</i>			
	To decrease provision for:		
G	Local Government Public Service Agreements (transferring funding to flood recovery, RfR1, Section P)		-8,000,000
<u>Resource transfers within the Request for Resources</u>			
<i>Other resource (near-cash)</i>			
	To adjust provision for:		
C	Local Government Research	115,000	
D	Private Finance Initiative	37,000,000	
G	Bellwin scheme: emergency financial assistance to local authorities	19,000,000	
G	Local Government Public Service Agreements		-56,000,000
G	Capacity Building		-115,000
<i>Capital grants(capital DEL)</i>			
	To adjust provision for:		
G	Bellwin scheme: emergency financial assistance to local authorities	1,000,000	
G	Local Government Public Service Agreements		-1,000,000
<u>Changes in non-budget spending</u>			
	To increase grant-in-aid provision for:		
I	Local Government Standards Board	432,000	

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

	To increase provision for expenditure and corresponding appropriations in aid:		
G	Local Government On Line	1,500,000	
G	Local Government On Line		-1,500,000
G	Local Government Public Service Agreement	32,500,000	
G	Local Government Public Service Agreement		-32,500,000
		<u>Total</u>	<u>239,846,000</u>
	Total change in resources for RfR2		-99,115,000
			140,731,000
	Total change in resources for Estimate		262,394,000

Changes in Capital

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
	<u>Changes related to movements in budgets</u>		
	<u>Take up of End Year Flexibility</u>		
	<i>Capital</i>		
	To increase provision for:		
I	European Regional Development Fund "Interreg"	282,000	
	<u>Transfers from other resource (capital grants) to capital (not capital grants)</u>		
	<i>Capital</i>		
	To increase provision for:		
A	Residential Property Tribunal Service	100,000	
		<u>Total</u>	<u>382,000</u>
	Total change in capital for RfR1		-
			382,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £557,904,000

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

Department for Communities and Local Government

Part I

£

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

† 121,663,000

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

140,731,000

Total additional net resource requirement

262,394,000

Additional net cash requirement

† 557,904,000

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

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

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

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

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

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

† The function of the Regional PSA Team was transferred to the Department for Business, Enterprise and Regulatory Reform on 28 June. Within the overall changes sought in this Estimate the specific changes relating to this Machinery of Government transfer are: (a) for RfR1 the net resource requirement is reduced by £641,000; and (b) the net cash requirement is reduced by £641,000.

† The responsibility for equalities functions and support for the Commission for Equality and Human Rights, the Commission for Racial Equality and the Equal Opportunities Commission were transferred to the Government Equalities Office on 26 July. Within the overall changes sought in this Estimate the specific changes relating to this Machinery of Government transfer are: (a) for RfR1 the net resource requirement is reduced by £59,742,000; and (b) the net cash requirement is reduced by £59,742,000.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Housing Supply and Demand	191,932	-19,946	120	-20,066	171,866
RfR 1- B Decent Places to Live	20,229	84,477	-	84,477	104,706
RfR 1- C Tackling Disadvantage	138,015	-13,492	1,390	-14,882	123,133
RfR 1- D Better Services	148,713	-807	-1,777	970	149,683
RfR 1- E Development of English Regions	1,598,934	2,436	-	2,436	1,601,370
RfR 1- F Central Administration	209,861	3,432	6,106	-2,674	207,187
RfR 1- G Government Office Administration	101,716	32,936	14,861	18,075	119,791
RfR 1- I European Structural Funds - Communities and Local Government	10,001	102	-	102	10,103
RfR 1- J Ordnance Survey	-20	-	2,260	-2,260	-2,280
RfR 1- K Queen Elizabeth II Conference Centre Executive Agency	-1,292	-	206	-206	-1,498
RfR 1- L Local Area Agreements	-537,331	-	553,217	-553,217	-1,090,548
<i>Support for Local Authorities</i>					
RfR 1- M Housing Supply and Demand	1,232,339	-85,503	-	-85,503	1,146,836
RfR 1- N Decent Places to Live	-105,503	-100	-	-100	-105,603
RfR 1- O Tackling Disadvantage	2,179,966	20,940	-	20,940	2,200,906
RfR 1- P Better Services	20,001	16,536	-	16,536	36,537
RfR 1- S Local Area Agreements	1,286,749	563,536	-	563,536	1,850,285
Spending in Annually Managed Expenditure(AME)					
<i>Central Government spending</i>					
RfR 1- T Decent Places to Live	679,100	-37	-	-37	679,063
Non-Budget					
RfR 1- W Housing Supply and Demand	2,460,297	126,482	-	126,482	2,586,779
RfR1- Z Tackling Disadvantage	34,492	-32,946	-	-32,946	1,546
Total RfR 1		698,046	576,383	121,663	

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

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

Department for Communities and Local Government

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RfR 2 - B	Best Value inspection subsidies to Public Corporations & best value intervention costs	22,720	1,700	-	1,700	24,420
RfR 2 - C	Local Government Research and Publicity, MAPPING Costs and Electoral Law	3,439	115	-	115	3,554
<i>Support for Local Authorities</i>						
RfR 2 - D	Revenue Support Grants	3,725,931	37,000	-	37,000	3,762,931
RfR 2 - G	Other Grants and Payments	378,674	-11,115	34,000	-45,115	333,559
Spending in Annually Managed Expenditure(AME)						
<i>Support for Local Authorities</i>						
RfR 2 - H	Non-domestic Rates Outturn Adjustments and LABGIS	809,000	146,599	-	146,599	955,599
Non-Budget						
RfR 2 - I	Non-departmental public bodies	20,475	432	-	432	20,907
Total RfR 2		174,731		34,000		140,731
Total Changes to RfRs		872,777		610,383		262,394

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	64,030	382	64,412
Non-Operating A in A	104	-	104
Net cash requirement	34,184,774	557,904	34,742,678

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions								
340,623	1,067,590	10,476,611	11,884,824	1,282,516	10,602,308	64,412	104	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
<i>A Housing Supply and Demand</i>								
-	128,881	52,896	181,777	9,911	171,866	2,844	-	
<i>B Decent Places to Live</i>								
-	8,836	95,870	104,706	-	104,706	-	-	
<i>C Tackling Disadvantage</i>								
-	55,781	68,742	124,523	1,390	123,133	25	-	
<i>D Better Services</i>								
-	143,205	7,775	150,980	1,297	149,683	37,337	22	
<i>E Development of English Regions</i>								
-	520	1,600,850	1,601,370	-	1,601,370	-	-	
<i>F Central Administration</i>								
198,789	44,850	-	243,639	36,452	207,187	21,064	-	
<i>G Government Office Administration</i>								
141,834	2,818	-	144,652	24,861	119,791	2,860	-	
<i>H European Structural Funds - net</i>								
-	-	1	1	-	1	-	-	
<i>I European Structural Funds - Communities and Local Government</i>								
-	3,702	6,401	10,103	-	10,103	282	-	
<i>J Ordnance Survey</i>								
-	-	1,320	1,320	3,600	-2,280	-	-	
<i>K Queen Elizabeth II Conference Centre Executive Agency</i>								
-	-	117	117	1,615	-1,498	-	82	
<i>L Local Area Agreements</i>								
-	-	-	-	1,090,548	-1,090,548	-	-	
<i>Support for Local Authorities</i>								
<i>M Housing Supply and Demand</i>								
-	-	1,146,836	1,146,836	-	1,146,836	-	-	
<i>N Decent Places to Live</i>								
-	-	5,739	5,739	111,342	-105,603	-	-	
<i>O Tackling Disadvantage</i>								
-	-	2,200,906	2,200,906	-	2,200,906	-	-	
<i>P Better Services</i>								
-	-	36,537	36,537	-	36,537	-	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000	
1	2	3	4	5	6	7	8		
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
Q	Development of English Regions	-	-	32,500	32,500	1,500	31,000	-	-
R	European Structural Funds - net	-	-	1	1	-	1	-	-
S	Local Area Agreements	-	-	1,850,285	1,850,285	-	1,850,285	-	-
Spending in Annually Managed Expenditure(AME)									
<i>Central Government spending</i>									
T	Decent Places to Live	-	679,063	-	679,063	-	679,063	-	-
U	Better Services	-	-66	116	50	-	50	-	-
<i>Support for Local Authorities</i>									
V	Better Services	-	-	163,354	163,354	-	163,354	-	-
<i>Housing Supply and Demand</i>									
		-	-	-	-	-	-	-	-
Non-Budget									
W	Housing Supply and Demand	-	-	2,586,779	2,586,779	-	2,586,779	-	-
X	Better Services	-	-	2,040	2,040	-	2,040	-	-
Y	Decent Places to Live	-	-	616,000	616,000	-	616,000	-	-
Z	Tackling Disadvantage	-	-	1,546	1,546	-	1,546	-	-
RfR 2: Providing for effective devolved decision making within a national framework									
		-	202,889	23,645,344	23,848,233	34,465	23,813,768	-	-
Spending in Departmental Expenditure Limits									
<i>Central Government spending</i>									
A	Valuation Services	-	174,450	-	174,450	-	174,450	-	-
B	Best Value inspection subsidies to Public Corporations & best value intervention costs	-	24,420	-	24,420	-	24,420	-	-
C	Local Government Research and Publicity, MAPPING Costs and Electoral Law	-	4,019	-	4,019	465	3,554	-	-
<i>Local Governance</i>									
		-	-	-	-	-	-	-	-
<i>Support for Local Authorities</i>									

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
D	Revenue Support Grants	-	3,762,931	3,762,931	-	3,762,931	-	-
E	Non-domestic Rates Payments	-	18,500,000	18,500,000	-	18,500,000	-	-
F	London Governance	-	38,348	38,348	-	38,348	-	-
G	Other Grants and Payments	-	367,559	367,559	34,000	333,559	-	-
Spending in Annually Managed Expenditure(AME)								
<i>Support for Local Authorities</i>								
H	Non-domestic Rates Outturn Adjustments and LABGIS	-	955,599	955,599	-	955,599	-	-
Non-Budget								
I	Non-departmental public bodies	-	20,907	20,907	-	20,907	-	-
Total for Estimate:								
	340,623	1,270,479	34,121,955	35,733,057	1,316,981	34,416,076	64,412	104

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	34,153,682	262,394	34,416,076
Voted capital items			
Capital	64,030	382	64,412
<i>Less: Non-operating A in A</i>	<i>104</i>	<i>-</i>	<i>104</i>
Total net voted capital	63,926	382	64,308
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-9,275	-2,745	-12,020
Depreciation	-26,440	-2,107	-28,547
New provisions and adjustments to previous provisions	-8,118	-20	-8,138
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	300,000	300,000
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	10,999	-	10,999
Total accruals to cash adjustments	-32,834	295,128	262,294
Excess cash to be CFERd	-	-	-
Net Cash Requirement	34,184,774	557,904	34,742,678

Part III: Extra receipts payable to the Consolidated Fund

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

	£'000			
	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	1,352,201	<i>1,352,201</i>	1,352,218	<i>1,352,218</i>
Non-operating income not classified as A in A	-	<i>-</i>	-	<i>-</i>
Other amounts collectable on behalf of the Consolidated Fund	-	<i>-</i>	-	<i>-</i>
Excess receipts to be surrendered to the Consolidated Fund	-	<i>-</i>	-	<i>-</i>
Total	1,352,201	<i>1,352,201</i>	1,352,218	<i>1,352,218</i>

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	296,007
RfR2	-
Total Net Administration Costs	296,007
Net Programme Costs	
RfR1	8,954,083
RfR2	23,813,768
Non-voted	-
Total Net Programme costs	32,767,851
Total Net Operating Cost	33,063,858
<i>of which:</i>	
Net Resource Requirement	34,416,076
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-1,352,218
Resource Budget	28,363,011

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	34,416,076
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-1,352,218
Other adjustments	-
Net Operating Costs (Accounts)	33,063,858
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-1,674,461
European Union income related to capital grants	-
voted expenditure outside the budget	-7,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	735,000
resource consumption of non departmental public bodies	-3,310,323
unallocated resource provision	12,962
Other adjustments	-457,025
Resource Budget (Budget)	28,363,011
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	27,135,197
Annually Managed Expenditure (AME)	1,227,814

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	64,308
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	
capital spending by non departmental public bodies	3,261,305
capital grants	1,674,461
European Union income related to capital grants	-
supported capital expenditure (revenue)	1,298,809
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-75,369
Capital Budget (Budget)	6,223,514
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,223,514
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

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

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

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

Administration	44,616
<i>of which:</i>	
Sale of goods and services	44,616
Programme	1,237,900
<i>of which:</i>	2,590,118
Sale of goods and services	46,599
Other grant income (including repayments of grants/subsidies)	1,444,859
Interest and Dividends	5,612
CFERS	-1,352,218
Other Income (including receipts)	1,093,048

Total RfR1	1,282,516 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from : research and administrative services, fee paying enquiries, dissemination and sales of information, royalties, the loan, hire and storage of equipment, seminars, patent rights, conferences and publications (in print and non-print media); sponsorship, including contributions from co-sponsors towards the cost of research and surveys; other government departments including contributions towards Local Area Agreements, agencies and non-departmental public bodies and overseas government; receipts from the European Union; adjustments to commuted loan charges or residual loan charge grants; pooled housing capital receipts from local authorities; housing revenue receipts from local authorities; donations; receipts from the Housing Corporation; charges for services provided by leasehold valuation tribunals and other receipts by Rent Assessment Panels; recovered renovation or disabled facilities grants;

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

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

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

Programme	34,465
<i>of which:</i>	
Sale of goods and services	465
Other grant income (including repayments of grants/subsidies)	1,500
Other Income (including receipts)	32,500

Total RfR2	34,465 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: sponsorship, including contributions from co-sponsors towards the cost of research and publicity; the Home Office; repayments by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; and fines passed on by the Ministry of Justice.

Total Operating A in A	1,316,981
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Analysis of non - operating appropriations in aid (A in A)**RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions**

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

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

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

Analysis of Consolidated Fund extra receipts

	£'000	
	2007-08 provision	Income
Central Administration Φ	11	11
Capital Pooled Housing Receipts \bullet	715,000	715,000
Planning Inspectorate Φ	190	190
Housing Revenue Account Subsidy Δ	617,017	617,017
Large Scale Voluntary Transfer \bullet	20,000	20,000
Total	1,352,218	1,352,218

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	20,884	-21,694	26,835,337	299,860	27,135,197
<i>of which:</i>					
Administration budget †	5,245	-	296,007		296,007
Near-cash in RDEL	16,012	-16,808	26,786,682	219,648	27,006,330
Capital DEL ††	1,362	142,307	2,619,709	3,603,805	6,223,514
Less Depreciation †††	-2,107	10,270	-28,547	-12,023	-40,570
Total DEL	20,139	130,883	29,426,499	3,891,642	33,318,141

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	1,317,085

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

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

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1- W	Housing Corporation ♥	2,146,637
RfR1- W	Leasehold Enfranchisement Advisory Service♥	1,150
RfR1- W	English Partnerships (Urban Regeneration Agency)♥	308,000
RfR1- W	Other Growth Areas: English Partnerships (Urban Regeneration Agency)♥	2,449
RfR1- W	Other Growth Areas: West Northamptonshire Urban Development Corporation♥	17,000
RfR1- W	Thames Gateway: East of England Development Agency♥	1,699
RfR1- W	Thames Gateway: South East of England Development Agency♥	6,800
RfR1- W	Thames Gateway: Housing Corporation ♥	2,100
RfR1- W	Thames Gateway: English Partnerships (Urban Regeneration Agency)♥	10,704
RfR1- W	Thames Gateway: London Thames Gateway Urban Development Corporation♥	54,090
RfR1- W	Thames Gateway: Thurrock Urban Development Corporation♥	29,150
RfR1- X	Firebuy ♥	2,040
RfR1- Z	Community Development Foundation♥	1,546
RfR2- I	Valuation Tribunal Service ♥	10,743
RfR2- I	Standards Board for England ♥	10,164

Notes to the Estimate (*continued*)

Contingent Liabilities

RfR/Section	Nature of Liability	£ '000
Statutory		
	Fire Service Act 1947 s17 and the Fire Service (Discipline Regulations) 1985. Liability to litigation by Fire Authorities resulting from delays in processing appeals to the Secretary of State.	200
	The Housing Defects Act 1984 (now part XVI of the Housing Act 1985). Payments to Local Authorities.	750 -1,000
	Housing Association Act 1987, s84. Indemnity of building society mortgages for shared ownership schemes.	175
	Indemnity given for the Land Stabilisation Project to proceed in Northwich under Section 1 of the Derelict Land Act 1982	70,000
Non-Statutory		
	Possible administrative irregularities in respect of the European Regional Development Fund programme, where approximately 50% of the total irregularities value would not be recovered due to insolvency occurring.	4,900
	Possible fine for irregularities with EC funds in respect of the European Regional Development Fund	40,000
	Three Local Authorities (Corby, Slough and Tewkesbury) have launched legal action against the Department for underpayment of the Local Authority Business Growth Incentive Scheme grant. There is a chance that the court will rule in favour of the Local Authorities	84,000
	Possible obligations from Employment Tribunal decision including asbestos claims against the Department.	Unquantifiable
	Possible liabilities of bodies sponsored by Department for Communities and Local Government which the Department may have to fund.	Unquantifiable
	Potential payments under the Housing Revenue Account Subsidy (HRAS) scheme relating to outstanding claims.	Unquantifiable
	Liability to pay grant in future years relating to annual gap-funding agreements for negative values transfers of council housing stocks	302,585
	Ex-gratia payments which may possibly be made to appellants or other appeal parties who have incurred abortive costs following an error made by the Planning Inspectorate.	50
	Possible ex-gratia payments	Unquantifiable
	Possible compensation in relation to Midlands Co-op / Thurmaston planning case (Parliamentary Ombudsman case).	5,200 - 26,000
	Possible obligations from Employment Tribunal decisions.	Unquantifiable
	Other Employment Tribunal decisions.	20

Litigation costs which may possibly be incurred following unsuccessful attempts to resist a High Court challenge into an Inspector's decision.	410
Indemnity given to the Nationwide Building Society as lender for claims relating to the treatment or removal of asbestos in connection with housing stock transfers	Unquantifiable
Indemnity given to the Fire and Rescue Services in respect of possible incidents as a result of mass decontamination.	Unquantifiable

Home Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Protecting the public and securing our future			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
£150,000,000 of near-cash resource comprising:			
Section D	Increase in OCE to meet OSCTs strategic objective to protect the public from terrorism.	24,000,000	
Section G	OCE to increase NOMSs budget to that agreed between the Home Office and the Ministry of Justice as part of the machinery of government changes.	80,000,000	
Section O	Increase in grants to meet strategic objective 1. 'Help people feel secure in their homes and local communities'.	46,000,000	
<u>DEL Reserve claims</u>			
Section G	Drawdown of OCE near cash for additional prison estate funding	30,000,000	
<u>Machinery of Government changes</u>			
On 29th March 2007, the Prime Minister announced that the functions and support costs comprising the National Offender Management Service (NOMS) and the Office for Criminal Justice Reform (OCJR) would transfer to the newly formed Ministry of Justice with effect from 9th May 2007. Later, it was announced that the Respect Team would transfer to the newly created Department for Children, Schools and Families with effect from the 28th June 2007. Details of the resources transferred are set out below:			
NOMS resources of £4,685,771,000 have been allocated in this Supplementary Estimate as follows:			
Administration near-cash costs and appropriations in aid from:			
Section G		420,000	-74,738,000
Section H			-1,078,000
Section I		492,000	-75,492,000
Section J			-4,257,000
Administration non-cash from:			
Section G			-5,400,000
OCE near-cash costs and appropriations in aid from:			
Section G		51,995,000	-671,013,000
Section H			-223,231,000
Section I		328,808,000	-2,211,900,000
Section J			-52,994,000
OCE non-cash from:			
Section G			-384,983,000
Section H			-23,720,000
Section I			-13,800,000
Section J			-457,000

Introduction (continued)

	Grants near-cash from:		
Section Z			-7,789,000
Section AA			-876,350,000
Section AB			-424,794,000
Section AG			-2,190,000
	Grants non-cash from:		
Section I			-13,300,000
	OCJR resources of £361,576,000 have been allocated in this Supplementary Estimate as follows:		
Section F	Administration near-cash costs.		-17,378,000
Section F	Administration non-cash.		-1,525,000
Section F	OCE near-cash costs and appropriations in aid.	20,879,000	-81,108,000
Section F	OCE non-cash.		-14,340,000
Section F	Grants near-cash.		-37,500,000
Section AC	Grants near-cash.		-223,789,000
Section AD	Grants near-cash.		-6,815,000
	NOMS and OCJR related support services of £8,936,000 have been allocated in this Supplementary Estimate as follows:		
Section M	Admin near-cash costs		-7,909,000
Section M	OCE near-cash costs		-1,027,000
	Respect Teams resources of £25,600,000 have been allocated as follows:		
Section M	Admin near-cash costs.		-1,400,000
Section M	OCE near-cash costs.		-6,231,000
Section M	Grants near-cash		-3,256,000
Section T	Grants near-cash		-14,713,000
	<u>Take up of Departmental Unallocated Provision</u>		
	Admin near-cash to reflect the latest forecast breakdown of delegated budgets.		
Section D			5,000,000
Section M			31,000,000
	OCE near-cash to reflect the latest forecast breakdown of delegated budgets.		
Section K			11,000,000
Section M	OCE near-cash to increase the Respect teams budget to that agreed between the Home Office and the Department for Children, Schools and Families.		1,000,000
Section A	OCE near-cash for CRCsGs marketing budget.		2,000,000
	<u>Transfers of budgetary cover to/from other government departments</u>		
Section M	Increase in admin near-cash spending for the general arm of the shared property service. This is a re-allocation of resource DEL from the Ministry of Justice.		1,400,000
Section M	Increase in admin near-cash spending for expansion of the Parliamentary Counsel office. This is a re-allocation of resource DEL from the Cabinet Office.		1,610,000
Section K	Increase in grant spending to help failed asylum seekers resettle in their own country. This is a reallocation of resource DEL from the Department for International Development.		1,000,000
Section D	Increase in admin near-cash spending for staff transferring to the Office for Security and Counter Terrorism. This is a re-allocation of resource DEL from the Cabinet Office.		104,000
Section A	Reduction in OCE near-cash following a transfer of CJIT ring fenced funds to the Ministry of Justice.		-28,358,000
Section O	Reduction in capital grants following a transfer of CJIT ring fenced funds to the Ministry of Justice'		-12,200,000

Introduction (continued)

Section B	Reduction in OCE near-cash. This is a re-allocation of resource DEL to fund the Crown Prosecution Service's additional costs of implementing the provisions of the Violent Crime Reduction Act.		-96,000
Section B	Reduction in OCE near-cash. This is a re-allocation of resource DEL to fund the Ministry of Justice's additional costs of implementing the provisions of the Violent Crime Reduction Act.		-1,561,000
	<u>Transfers from resource spending to capital spending (not capital grants)</u>		
Section O	Transfer of capital grants to capital in section M		-10,000,000
	<u>Changes in Annually Managed Expenditure (AME)</u>		
Section U	Increase in grants near-cash to meet pension forecasts for police seconded to HM Inspectorate of Constabulary.	97,000	
Section V	Increase in grants near-cash to match the Government Actuary's Department's forecast of police pensions funded via Local Authorities.	810,000	
	<u>Other changes</u>		
	<u>Resource transfers within the Request for Resources</u>		
Section A	Admin near cash from section G following a switch in policy responsibility.	166,000	-166,000
Section G	OCE non cash from section F to reflect the latest forecast breakdown of delegated budgets.	540,000	-540,000
Section F	OCE near cash from section G to reflect the latest forecast breakdown of delegated budgets. Transfer of £43,640,000 grants to OCE near-cash to reflect the current forecast breakdown of delegated budgets. These resources have been allocated in this Supplementary Estimate as follows: Grants:	24,000,000	-24,000,000
Section M		3,331,000	
Section O			-60,934,000
Section T		13,963,000	
	OCE:		
Section A		27,015,000	
Section D			-24,000,000
Section E		52,490,000	
Section F		2,596,000	
Section G			-22,735,000
Section H			-729,000
Section I		35,655,000	
Section K			-18,300,000
Section M			-8,352,000
Section M	Transfer of admin near-cash to re-develop the Home Office's intranet. Contributing sections are:	2,000,000	
Section A			-600,000
Section F			-100,000
Section G			-600,000
Section K			-600,000
Section L			-100,000
	Other transfers to reflect the latest forecast breakdown of delegated budgets. Admin non-cash:		
Section L		19,000,000	
Section M			-19,000,000

Introduction (continued)

	OCE near-cash:		
Section A		3,000,000	
Section D			-7,000,000
Section K		9,000,000	
Section L			-22,000,000
Section M		17,000,000	
	OCE non-cash:		
Section D			-3,000,000
Section L		3,000,000	
Section L	Transfer of admin to OCE near-cash within section.	19,000,000	-19,000,000
Section M	Transfer of admin near cash from section K for the shared property service.	2,845,000	-2,845,000
Section M	Admin near-cash from section A to reflect the transfer of the Science and Research group from CRCSG to central services.	358,000	-358,000
Section M	Admin near-cash from section E to reflect the transfer of the Science and Research group from CRCSG to central services.	153,000	-153,000
Section M	OCE near cash from section A to reflect the transfer of the Science and Research group from CRCSG to central services.	2,400,000	-2,400,000
Section AH	Grants from section A for the transfer of policy responsibility for missing persons to the National Policing Improvement Agency.	261,000	-261,000
Section AH	OCE near-cash from section A for additional staffing of the National Policing Improvement Agency.	512,000	-512,000
Section X	OCE near-cash from section A for the transfer of recovered asset funding to the Serious Organized Crime Agency.	2,000,000	-2,000,000
	<u>Transfers to/from non-voted spending</u>		
Section D	OCE near-cash to the departmental unallocated provision		-5,000,000
Section M	OCE near-cash to the departmental unallocated provision		-17,000,000
Section G	OCE non-cash from CICA to reflect the latest forecast breakdown of delegated budgets.	23,460,000	
	OCE near-cash transfers to reflect the latest forecast breakdown of delegated budgets. These resources have been allocated in this Supplementary Estimate as follows:		
Section D		45,353,000	
Section M			-9,940,000
	OCE non-cash transfers to reflect the latest forecast breakdown of delegated budgets. These resources have been allocated in this Supplementary Estimate as follows:		
Section D			-1,600,000
Section F		67,000	
Section G			-17,600,000
Section I		17,900,000	
Section K		310,000	
Section M		1,632,000	
Section A	Increase in OCE near-cash expenditure offset in budgetary terms by a corresponding increase in recovered asset CFERs.	14,000,000	
Section D	Increase in recovered asset related grants payable to other central government bodies (£74,000,000) and a reduction in expenditure (£26,421,000) all offset in budgetary terms by a corresponding increase in recovered asset CFERs.	47,579,000	

Introduction (continued)

Changes in non-budget spending

Net reduction in grant in aid of £9,481,000 to reflect the latest forecast breakdown of delegated budgets.

Section Z		1,300,000	
Section AA		6,780,000	
Section AB			-18,371,000
Section AE		810,000	
Section X	Increase in grant in aid as a result of a transfer of budgetary cover from HM Revenue and Customs to SOCA	1,000,000	

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

Reduction in admin income in section G offset by reduction in near cash expenditure in sections G (11,210,000) and I (2,960,000).

These changes reflect the latest forecast breakdown of delegated

Section M	Increase in admin income and near-cash spending to reflect the latest forecast breakdown of delegated budgets.	2,446,000	-2,446,000
	Increase in programme income and near-cash OCE in sections M (£4,358,000) and D (£634,000) to reflect the latest forecast breakdown of delegated budgets.	4,992,000	-4,992,000
Section L	Reduction in admin and a corresponding increase in programme income to show that IPS taxation income has been re-classified from admin to programme. Income is offset by a combination of near and non-cash expenditure that also moves from admin to programme as follows:	388,000,000	-388,000,000
	Near-cash costs	365,437,000	-365,437,000
	Non-cash costs	22,563,000	-22,563,000
Section M	Increase in admin income and near-cash spending for the shared property service's management of the NOMS estate.	1,360,000	-1,360,000
Section M	Increase in programme income and near-cash OCE spending for the shared property service's management of the NOMS estate.	25,500,000	-25,500,000

Total 1,862,559,000 -6,670,956,000

Total change in resources for RfR1 -4,808,397,000

Total change in resources for Estimate -4,808,397,000

Changes in Capital

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

Machinery of Government Changes

£492,903,000 capital representing a transfer of the National Offender Management Service (NOMS) to the Ministry of Justice. Capital has been allocated in this Supplementary Estimate as

Section G			-474,799,000
Section I			-16,304,000
Section J			-1,800,000
Section F	Transfer of the Office for Criminal Justice Reform (OCJR) to the Ministry of Justice.		-37,441,000
Section M	Transfer of corporate support for NOMS capital to the Ministry of Justice.		-10,000,000

Introduction (continued)

	<u>Transfers of budgetary cover to/from other government departments</u>	
Section M	Contribution towards building improvement works at a shared service centre. This is a re-allocation of capital DEL to the Ministry of Justice.	-2,600,000

Other changes

Transfers within the Estimate

Transfer of capital to reflect the current forecast breakdown of delegated budgets. Capital has been allocated in this Supplementary Estimate as follows:

Section F		515,000	
Section G		44,296,000	
Section I		304,000	
Section J		1,100,000	
Section K		31,485,000	
Section L			-73,700,000
Section M			-4,000,000
	<u>Transfers from capital grants to capital</u>		
Section M	Transfer of capital grants in section O to capital in section M	10,000,000	

	<u>Total</u>	87,700,000	-620,644,000
Total change in capital for Estimate			-532,944,000

2. As a result of the above and non-cash adjustments, there is a reduction in the net cash requirement of £4,938,295,000.

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

Home Office

Part I

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RfR 1: Protecting the public and securing our future	†	-4,808,397,000
Total additional net resource requirement		-4,808,397,000
Additional net cash requirement	†	-4,938,295,000

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

RfR 1: Protecting the public and securing our future

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

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

† 1) The National Offender Management Service and the Office for Criminal Justice Reform functions were transferred to the Ministry of Justice on 9 May 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement is reduced by £5,056,283,000;
- b) the operating appropriations in aid are reduced by £402,594,000;
- c) the net cash requirement is reduced by £5,171,011,000.

† 2) The Respect team functions were transferred to the Department for Children, Schools and Families on 28 June 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement is reduced by £25,600,000;
- b) the net cash requirement is reduced by £25,600,000.

† 3) In the Main Estimate, RfR1 was titled 'Building a safe, just and tolerant society'.

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 the public and securing our future						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1 - A	Police	60,706	11,839	-	11,839	72,545
RfR 1 - B	Crime reduction	44,470	-1,657	-	-1,657	42,813
RfR 1 - D	Counter terrorism and Intelligence	283,594	82,070	-	82,070	365,664
RfR 1 - E	Drugs	56,603	52,190	-	52,190	108,793
RfR 1 - F	Criminal justice reform	104,949	-125,828	-20,879	-104,949	-
RfR 1 - G	National Offender Management Service HQ	1,011,860	-1,078,445	-66,585	-1,011,860	-
RfR 1 - H	Prisons - private sector	248,758	-248,758	-	-248,758	-
RfR 1 - I	Prisons - public sector	1,934,597	-2,263,897	-329,300	-1,934,597	-
RfR 1 - J	Probation HQ	57,708	-57,708	-	-57,708	-
RfR 1 - K	Border and Immigration Agency	1,227,816	-435	-	-435	1,227,381
RfR 1 - L	Identity and passport service	80,000	-100	-	-100	79,900
RfR 1 - M	Central services	252,277	24,278	34,298	-10,020	242,257
<i>Support for Local Authorities</i>						
RfR 1 - O	Police grants	5,103,854	-37,134	-	-37,134	5,066,720
RfR 1 - T	Other grants	750	-750	-	-750	-
Spending in Annually Managed Expenditure (AME)						
<i>Central Government Spending</i>						
RfR 1 - U	Police superannuation	800	97	-	97	897
<i>Support for Local Authorities</i>						
RfR 1 - V	Police superannuation	304,190	810	-	810	305,000
Non-Budget						
RfR 1 - X	Serious Organised Crime Agency	477,243	3,000	-	3,000	480,243
RfR 1 - Z	Parole Board	6,489	-6,489	-	-6,489	-
RfR 1 - AA	National Probation Service (local area boards)	869,570	-869,570	-	-869,570	-
RfR 1 - AB	Youth Justice Board	443,165	-443,165	-	-443,165	-
RfR 1 - AC	Criminal Injuries Compensation Authority	223,789	-223,789	-	-223,789	-
RfR 1 - AD	Criminal Cases Review Commission	6,815	-6,815	-	-6,815	-
RfR 1 - AE	Office of the Immigration Service Commissioner	3,685	810	-	810	4,495

Part II: Changes proposed (*continued*)

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1 - AG Loan charges	11,859	-2,190	-	-2,190	9,669
RfR 1 - AH National Policing Improvement Agency	591,745	773	-	773	592,518
Total RfR 1		-5,190,863	-382,466	-4,808,397	
Total Changes to RfRs		-5,190,863	-382,466	-4,808,397	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	723,719	-532,944	190,775
Non-Operating A in A	-	-	-
Net cash requirement	14,663,834	-4,938,295	9,725,539

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Protecting the public and securing our future							
498,246	2,279,975	7,785,984	10,564,205	924,702	9,639,503	190,775	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Police							
22,718	47,047	6,930	76,695	4,150	72,545	-	-
B Crime reduction							
20,936	1,664	20,213	42,813	-	42,813	90	-
C Criminal Records Bureau							
99,322	-	-	99,322	100,390	-1,068	500	-
D Counter terrorism and Intelligence							
15,185	124,895	226,340	366,420	756	365,664	19,000	-
E Drugs							
13,695	65,530	30,108	109,333	540	108,793	-	-
F Criminal justice reform							
-	-	-	-	-	-	-	-
G National Offender Management Service HQ							
-	-	-	-	-	-	-	-
H Prisons - private sector							
-	-	-	-	-	-	-	-
I Prisons - public sector							
-	-	-	-	-	-	-	-
J Probation HQ							
-	-	-	-	-	-	-	-
K Border and Immigration Agency							
110,994	1,504,357	1,000	1,616,351	388,970	1,227,381	115,985	-
L Identity and passport service							
3,400	464,500	-	467,900	388,000	79,900	50,000	-
M Central services							
211,996	71,932	225	284,153	41,896	242,257	5,200	-
N European Refugee Fund							
-	-	1	1	-	1	-	-
<i>Support for Local Authorities</i>							
O Police grants							
-	-	5,066,720	5,066,720	-	5,066,720	-	-
P Crime reduction grants							
-	-	102,242	102,242	-	102,242	-	-
Q Counter terrorism and Intelligence grants							
-	-	650,429	650,429	-	650,429	-	-
R Border and Immigration Agency grants							
-	-	166,627	166,627	-	166,627	-	-

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000	
1	2	3	4	5	6	7	8		
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
S	Local Area Agreements	-	-	90,019	90,019	-	90,019	-	-
T	Other grants	-	-	-	-	-	-	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government Spending</i>									
U	Police superannuation	-	-	897	897	-	897	-	-
<i>Support for Local Authorities</i>									
V	Police superannuation	-	-	305,000	305,000	-	305,000	-	-
Non-Budget									
W	Independent Police Complaints Commission	-	-	32,307	32,307	-	32,307	-	-
X	Serious Organised Crime Agency	-	-	480,243	480,243	-	480,243	-	-
Y	Security Industry Authority	-	-	1	1	-	1	-	-
Z	Parole Board	-	-	-	-	-	-	-	-
AA	National Probation Service (local area boards)	-	-	-	-	-	-	-	-
AB	Youth Justice Board	-	-	-	-	-	-	-	-
AC	Criminal Injuries Compensation Authority	-	-	-	-	-	-	-	-
AD	Criminal Cases Review Commission	-	-	-	-	-	-	-	-
AE	Office of the Immigration Service Commissioner	-	-	4,495	4,495	-	4,495	-	-
AF	Fine refunds to carriers	-	50	-	50	-	50	-	-
AG	Loan charges	-	-	9,669	9,669	-	9,669	-	-
AH	National Policing Improvement Agency	-	-	592,518	592,518	-	592,518	-	-
Total for Estimate:									
		498,246	2,279,975	7,785,984	10,564,205	924,702	9,639,503	190,775	-

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	14,447,900	-4,808,397	9,639,503
Voted capital items			
Capital	723,719	-532,944	190,775
<i>Less: Non-operating A in A</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total net voted capital	723,719	-532,944	190,775
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-223,780	220,333	-3,447
Depreciation	-330,892	215,422	-115,470
New provisions and adjustments to previous provisions	800	-800	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	3,038	-	3,038
Increase(+)/decrease (-) in debtors	4,971	-	4,971
Increase(-)/decrease (+) in creditors	6,169	-	6,169
Use of provisions	31,909	-31,909	-
Total accruals to cash adjustments	-507,785	403,046	-104,739
Excess cash to be CFERd	-	-	-
Net Cash Requirement	14,663,834	-4,938,295	9,725,539

Part III: Extra receipts payable to the Consolidated Fund

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

	Present provision		New provision	
	Income	Receipts	Income	Receipts
Operating income not classified as A in A	69,256	<i>69,256</i>	157,256	<i>157,256</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	62,708	<i>62,708</i>	62,708	<i>62,708</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	131,964	<i>131,964</i>	219,964	<i>219,964</i>

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	390,098
Total Net Administration Costs	390,098
Net Programme Costs	
RfR1	9,249,405
Non-voted	-157,256
Total Net Programme costs	9,092,149
Total Net Operating Cost	9,482,247
<i>of which:</i>	
Net Resource Requirement	9,639,503
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-157,256
Resource Budget	8,968,809

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	9,639,503
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-157,256
Other adjustments	-
Net Operating Costs (Accounts)	9,482,247
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-251,308
European Union income related to capital grants	-
voted expenditure outside the budget	-9,719
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	9,256
resource consumption of non-departmental public bodies	-274,837
unallocated resource provision	32,042
Other adjustments	-18,872
Resource Budget (Budget)	8,968,809
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	8,662,912
Annually Managed Expenditure (AME)	305,897

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	190,775
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	261,389
capital grants	251,308
European Union income related to capital grants	-
supported capital expenditure (revenue)	28,918
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	20,072
Capital Budget (Budget)	752,462
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	752,462
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Protecting the public and securing our future	
Administration	108,148
<i>of which:</i>	
Sale of goods and services	108,148
Programme	816,554
<i>of which:</i>	
Sale of goods and services	399,154
Receipts from Other Government Departments	25,500
Interest and dividends	3,900
Regularory licences, fines, penalties and taxes	388,000
Total RfR1	924,702 †

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

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

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

Total Operating A in A	924,702
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2007-08 provision	
	Income	Receipts
Regulatory fees ●	148,000	148,000
Carriers liability receipt ●	9,256	9,256
Passport fee receipts ●	62,708	62,708
Total	219,964	219,964

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-3,239,669	-1,622,375	7,944,143	718,769	8,662,912
<i>of which: †</i>					
Administration budget	-168,151	-36,000	390,098	24,042	414,140
Near-cash in RDEL	-2,804,714	-1,636,592	7,825,226	667,764	8,492,990
Capital ††	-555,144	-20,095	460,955	291,507	752,462
Less Depreciation †††	215,422	2,550	-115,470	-52,085	-167,555
Total	-3,579,391	-1,639,920	8,289,628	958,191	9,247,819

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	924,702

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1 - E3	Grant to the Independent Custody Visiting Association	250
RfR1 - E3	Grant to the Council for the Registration of Forensic Practitioners	300
RfR1 - E3	Police Superintendants Association	380
RfR1 - E3	Police Federation	135
RfR1 - E3	Grant to the association for Bereavement Counselling of Road Accident Victims	28
RfR1 - E3	National Black Police Association (NBPA)	80
RfR1 - E3	Association of Chief Police Officers (ACPO)	470
RfR1 - E3	British Association of Women Police (BAWP)	35
RfR1 - E3	Police Negotiating Board (PNB) - Independent Secretariat	52
RfR1 - E3	Police Negotiating Board (PNB) - Official Side Secretariat	242
RfR1 - E3	Police Negotiating Board (PNB) - Staff Side	126
RfR1 - K3	RETAS (FREE project) - grants for training/education	30
RfR1 - K3	Refugees into jobs - grants for training/education	433

Grants in aid

RfR/Section	Body	£ '000
RfR1 - W	Independent Police Complaints Commission ♥	32,307
RfR1 - X	Serious Organised Crime Agency ♥	480,243
RfR1 - Y	Security Industry Authority ♥	1
RfR1 - AE	Office of the Immigration Service Commissioner ♥	4,495
RfR1 - AH	National Policing Improvement Agency ♥	592,518

Assets Recovery Agency

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL End-Year Flexibility</u>		
Section A	Take up of near-cash programme resource DEL EYF on subhead A2 to meet initial costs anticipated by the ARA and SOCA merger on 1 April 2008.	750,000	
<u>Other changes</u>			
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>		
Section A	Increased spending on subhead A2 offset by additional training income and EU funding on subhead A5.	450,000	-450,000
		<u>Total</u>	<u>1,200,000</u>
Total change in resources for RfR1			750,000
Total change in resources for Estimate			750,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £2,253,000.

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

Assets Recovery Agency

Part I

£

RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation	750,000
Total additional net resource requirement	750,000
Additional net cash requirement	2,253,000

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

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

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

The Assets Recovery Agency will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Helping to reduce crime	15,551	1,200	450	750	16,301
Total RfR 1		1,200	450	750	
Total Changes to RfRs		1,200	450	750	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	16,678	2,253	18,931

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation								
4,711	22,915	-	27,626	11,325	16,301	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Helping to reduce crime								
4,711	22,915	-	27,626	11,325	16,301	-	-	
Total for Estimate:								
4,711	22,915	-	27,626	11,325	16,301	-	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000 Revised</u>
Net Resource Requirement	15,551	750	16,301
Voted capital items			
Capital	-	-	-
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	30	-	30
Depreciation	-419	-	-419
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-84	3	-81
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	600	-500	100
Increase(-)/decrease (+) in creditors	1,000	2,000	3,000
Use of provisions	-	-	-
Total accruals to cash adjustments	1,127	1,503	2,630
Excess cash to be CFERd	-	-	-
Net Cash Requirement	16,678	2,253	18,931

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	4,636
Total Net Administration Costs	4,636
Net Programme Costs	
RfR1	11,665
Total Net Programme costs	11,665
Total Net Operating Cost	16,301
<i>of which:</i>	
Net Resource Requirement	16,301
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	16,301

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	16,301
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	16,301
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	16,301
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	16,301
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Alan McQuillan, Interim Director of the Assets Recovery Agency

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

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

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

£'000

2007-08

Administration

75

of which:

Sale of goods and services

75

Programme**11,250***of which:*

Sale of goods and services

11,250

Total RfR1**11,325 †**

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

Total Operating A in A**11,325**

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	750	-	16,301	-	16,301
<i>of which: †</i>					
<i>Administration budget</i>	-	-	4,636	-	4,636
<i>Near-cash in RDEL</i>	750	-	15,828	-	15,828
Capital ††	-	-	-	-	-
Less Depreciation †††	-	-	-419	-	-419
Total	750	-	15,882	-	15,882

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	11,325

Charity Commission

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Giving the public confidence in the integrity of charity			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
To take effect of the additional funding agreed in the 2007 Comprehensive Spending Review Settlement.			
Section A	To review terrorist financing of charities.	1,000,000	
Section A	To fund additional responsibilities following the passage of the Charities Act 2006.	500,000	
<u>Other changes</u>			
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section A	Continuation of the International Outreach project funding by the Foreign and Commonwealth Office.	450,000	-450,000
Section A	Creation of the Faith and Social Cohesion unit funded by the Department for Communities and Local Government.	400,000	-400,000
Section A	Additional accommodation charges funded by sub-letting a floor in the London building.	250,000	-250,000
		<u>Total</u>	<u>2,600,000</u> <u>-1,100,000</u>
Total change in resources for RfR1			1,500,000
Total change in resources for Estimate			1,500,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
Section A	To take effect a reduction of funding on capital spending following the 2007 Comprehensive Spending Review.		-499,000
		<u>Total</u>	<u>-</u> <u>-499,000</u>
Total change in capital for Estimate			-499,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £1,001,000.

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

Charity Commission

Part I

£

RfR 1: Giving the public confidence in the integrity of charity	1,500,000
Total additional net resource requirement	1,500,000
Additional net cash requirement	1,001,000

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

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

Administration, capital expenditure and associated non-cash items.

The Charity Commission will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Giving the public confidence in the integrity of charity					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	30,243	2,600	1,100	1,500	31,743
Total RfR 1		2,600	1,100	1,500	
Total Changes to RfRs		2,600	1,100	1,500	

	Present Provision	Change in Provision	£'000 New Provision
Capital and Cash			
Total Capital Expenditure	1,399	-499	900
Non-Operating A in A	-	-	-
Net cash requirement	30,631	1,001	31,632

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Giving the public confidence in the integrity of charity								
32,863	-	-	32,863	1,120	31,743	900	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
32,863	-	-	32,863	1,120	31,743	900	-	
Total for Estimate:								
32,863	-	-	32,863	1,120	31,743	900	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000 Revised</u>
Net Resource Requirement	30,243	1,500	31,743
Voted capital items			
Capital	1,399	-499	900
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	1,399	-499	900
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-88	-	-88
Depreciation	-650	-	-650
New provisions and adjustments to previous provisions	-93	-	-93
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-180	-	-180
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-1,011	-	-1,011
Excess cash to be CFERd	-	-	-
Net Cash Requirement	30,631	1,001	31,632

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	31,743
Total Net Administration Costs	31,743
Net Programme Costs	
RfR1	-
Non-voted	-
Total Net Programme costs	-
Total Net Operating Cost	31,743
<i>of which:</i>	
Net Resource Requirement	31,743
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	31,743

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	31,743
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	31,743
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	31,743
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	31,743
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	900
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	900
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	900
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Andrew Hind, Chief Executive of the Charity Commission

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

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

Notes to the Estimate (continued)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

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

Administration

1,120

of which:

Sale of goods and services

1,120

Programme

-

of which:

Total RfR1

1,120 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sale of copies of documents, amounts which relate to the Foreign and Commonwealth Office/Charity Commission joint International Outreach project, amounts which relate to funding from the Department of Government and Local Communities for the Faith and Social Cohesion Unit and sub-letting of part of the London building.

Total Operating A in A

1,120

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1,500	-	31,743	-	31,743
<i>of which: †</i>					
<i>Administration budget</i>	1,500	-	31,743	-	31,743
<i>Near-cash in RDEL</i>	1,500	-	30,732	-	30,732
Capital DEL ††	-499	-	900	-	900
Less Depreciation †††	-	-	-650	-	-650
Total DEL	1,001	-	31,993	-	31,993

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	1,120

Ministry of Justice

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
Subhead A2	Reform and Modernisation Programme (RAMP)	30,000,000	
Subhead A2	Modernisation Fund	70,000,000	
Subhead A2	Election Funding	28,000,000	
Subhead A2	Additional funding claimed under EYF	52,000,000	
Subhead S2	Continued work on the Coordinated Online Register of Elections (CORE). This is a capital grant scored as CDEL in budgets.	2,000,000	
<u>Machinery of Government changes</u>			
On 29th March 2007 the Prime Minister announced the creation of the Ministry of Justice. The new Ministry will incorporate all aspects of the Department for Constitutional Affairs together with a number of areas acquired from the Home Office most notably, Prisons and Probation. The Machinery of Government change formally took effect from 9th May 2007.			
Transfers from Home Office totalling £5,056,283,000 as follows:			
Section A	i) Central services.	8,936,000	
Section M	ii) Criminal Justice Reform.	151,851,000	-20,879,000
Section N	iii) National Offender Management Service HQ.	1,106,134,000	-52,415,000
Section N	iv) National Offender Management Service HQ.	30,000,000	
Section O	v) Prisons - Private Sector.	248,029,000	
Section P	vi) Prisons – Public Sector.	2,314,492,000	-329,300,000
Section Q	vii) National Probation Service HQ.	57,708,000	
Section U	viii) Parole Board.	7,789,000	
Section V	ix) National Probation Service (local Area Boards).	876,350,000	
Section W	x) Youth Justice Board.	424,794,000	
Section X	xi) Criminal Injuries Compensation Authority.	223,789,000	
Section Y	xii) Criminal Cases Review Commission.	6,815,000	
Section Z	xiii) Loan charges.	2,190,000	
Subhead A1	Transfer of responsibility for the Privy Council Secretariat and the Office of the Judicial Committee of the Privy Council, which took effect from 1 April 2007, totalling £2,268,000.	2,308,000	-40,000
Subhead A1	Transfer of responsibility of the inspection of CAF/CASS (from HMICA to OFSTED) to Department for Children Schools and Families (DCSF), which took effect from 1 April 2007, totalling £485,000.		-485,000

Introduction (*continued*)

Transfers of budgetary cover to/from other government departments

Transfers from the Home Office totalling £43,164,000 as follows:

Subhead C2	i) Violent Crime Reduction Act	92,000	
Subhead N2	ii) Violent Crime Reduction Act	1,291,000	
Subhead H3	iii) Violent Crime Reduction Act	178,000	
Subhead A2	iv) Expenditure from Parliamentary Counsel Office	685,000	
Subhead W3	vi) CJIT funding for Youth Justice Board.	6,683,000	
Subhead M2	vii) CJIT funding for OCJR.	2,563,000	
Subhead W3	viii) CJIT funding for YJB	4,967,000	
Subhead A3	ix) CJIT funding for CPS	2,470,000	
Subhead N2	x) NPIA to NOMS in line with the 2007/08 Delivery Plan for the OMNI contract.	25,000	
Subhead N2	xi) NPIA to NOMS in line with the 2007/08 Delivery Plan for the Shared Access project.	130,000	
Subhead N2	xii) NPIA to NOMS in line with the 2007/08 Delivery Plan for the O-NOMIS project.	500,000	
Subhead N2	xiii) NPIA to NOMS in line with the 2007/08 Delivery Plan for the ViSOR project.	5,700,000	
Subhead N2	xiv) NPIA to NOMS in line with the 2007/08 Delivery Plan for the C-NOMIS project.	15,320,000	
Subhead W3	xv) capital expenditure for CJIT for Youth Justice Board.	3,960,000	
Subhead N2	Transfer to Home Office Property Group		-1,400,000

Transfers to the Department for Innovation, Universities and Skills totalling £5,266,000 as follows:

Subhead P2	i) Police ICT Academy (PICTA) costs.	230,000	
Subhead N2	ii) Prisoner Education costs.		-6,270,000
Subhead N2	iii) Learning and skills costs for Immigration Removal Centres	774,000	

Transfers to the Crown Prosecution Service (CPS) totalling £14,831,000 as follows:

Subhead M2	i) Local Criminal Justice Boards.		-1,291,000
Subhead A2	ii) CJIT.		-12,783,000
Subhead A2	iii) Progress.		-539,000
Subhead C2	iv) Violent Crime Reduction		-218,000
Subhead N2	Transfer from NOMS to Department of Health in relation to Prisoner Healthcare costs.		-635,000
Subhead V3	NOMS to Probation Local Area Boards in respect of capital expenditure for vehicles and capital equipment	3,000,000	
Subhead A2	Transfer to the Department for Communities and Local Government in respect of the Commission for Equality and Human Rights.		-2,225,000
Subhead P2	Transfer from HMPS Public to Welsh assembly for Health Funds for Wales.		-245,000

Other changes in DEL spending

Subhead A2	Uplift in CSR07 baseline.	192,000,000	
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Other changes

Transfers to/from non-voted spending

Subhead A2	Transfer of non-voted non cash from NDPB's to align with initial board delegations	168,001,000	
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Introduction (continued)

<u>Changes in non-budget spending</u>			
Subhead I3	Increase in grant to LSC.	30,000,000	
Subhead K3	Increase in grant to ICO.	1,000	
<u>Resource transfers within the Request for Resources</u>			
	A2 to L3 for increase in grant to JAC	70,000	-70,000
	C1 to A1 to align with Management Board delegation	10,324,000	-10,324,000
	D1 to A1 to align with Management Board delegation	11,098,000	-11,098,000
	F1 to A1 to align with Management Board delegation	39,757,000	-39,757,000
	C1 to A1 to align with Management Board delegation	3,574,000	-3,574,000
	D1 to A1 to align with Management Board delegation	5,172,000	-5,172,000
	F1 to A1 to align with Management Board delegation	28,922,000	-28,922,000
	D1 to A1 to align with Management Board delegation	379,000	-379,000
	F1 to A1 to align with Management Board delegation	4,375,000	-4,375,000
	D1 to A1 to align with Management Board delegation	17,210,000	-17,210,000
	A1 to F1 in respect of Admin cost of capital	98,000	-98,000
	F1 to A1 in respect of Admin non-cash	173,000	-173,000
	A2 to C2 to align with Management Board delegation	125,052,000	-125,052,000
	A2 to D2 to align with Management Board delegation	10,830,000	-10,830,000
	A2 to F2 to align with Management Board delegation	62,836,000	-62,836,000
	A2 to C2 to align with Management Board delegation	97,585,000	-97,585,000
	A2 to F2 to align with Management Board delegation	144,488,000	-144,488,000
	A2 to C2 and D2 to align with Management Board delegation	5,035,000	-5,035,000
	A2 and C2 to D2 and F2 to align with Management Board delegation	5,329,000	-5,329,000
	A2 to C2 to align with Management Board delegation	37,900,000	-37,900,000
	To A2 from various in respect of provisions to align with	1,242,348,000	-1,242,348,000
	C2 to A2 and D2 to align with Management Board delegation	208,699,000	-208,699,000
	F2 to A2 and D2 to align with Management Board delegation	140,030,000	-140,030,000
	A3 to A2 reallocation of grant previously misanalysed	75,000	-75,000
	C2 to A2 in respect of funding of £280,000 for Energis/C&W Selbourne Aramis Link and £24,000 for the Welsh Language Unit .	304,000	-304,000
	C2 to A2 in respect of funding for Prison Video Links IT Maintenance	1,071,000	-1,071,000
	A2 to C2 in respect of depreciation of the Live Libra Assets	2,418,000	-2,418,000
	C2 to A2 in relation to transfer of costs relating to the running of the CFO.	14,600,000	-14,600,000
	C5 to A5 in relation to transfer of income relating to the running of the CFO.	16,000,000	-16,000,000
	A1 to F1 in relation to the reallocation of Aramis R&A Costs from DCA to Tribunals	410,000	-410,000
	A1 to C1 in relation to transfer of Staff from PMD(Stratgy) to HMCS and associated costs	123,000	-123,000
	A2 to F2 in respect of running costs of Claims Management Services Tribunal	60,000	-60,000
	A2 to C2 in relation to Libra costs.	17,500,000	-17,500,000
	A2 to C2 in respect of increased costs dealing with Single Asylum Fund	1,055,000	-1,055,000
	A2 to C2 in relation to Isleworth Improvement project following Middlesex Guildhall becoming Supreme Court	1,009,000	-1,009,000
	A2 to F2 in relation to the allocation of SAF budget to Tribunals	4,200,000	-4,200,000
	A1 to G1 in respect of the Diana Princes of Wales inquest	225,000	-225,000
	A2 to C2 in respect of PCOL Marketing Costs	25,000	-25,000
	A2 to C2 in respect of increase in provision for pension by analogy pension scheme	165,000	-165,000
	A1 to F1 in respect of funding for FDA president and GEC staff	22,000	-22,000
	A1 to D1 in respect of funding for FDA president and GEC staff	27,000	-27,000

Introduction (*continued*)

C2 to M2 in respect of funding for LCJB's	1,000,000	-1,000,000
A2 and A5 in relation to Victim surcharge	16,000,000	-16,000,000
N2 to P2 towards the cost of the Offender Management Model implementation for the Operational Directorate.	4,316,000	-4,316,000
W3 to N2 re contribution to cost of Juvenile Cohort Study 2007-08	250,000	-250,000
N2 to P2 of £26,613,000 to cover one-off and ongoing costs for additional prison places that are being built as part of the Capacity Programme.	26,313,000	-26,313,000
N2 to P2 to cover one-off and ongoing costs for additional prison places that are being built as part of the Capacity Programme - High Security	1,401,000	-1,401,000
N2 to P2 to fund Contractors Escorts and Maintenance costs - Operations.	4,731,000	-4,731,000
N2 to P2 to fund Contractors Escorts and Maintenance cost - High Security.	2,089,000	-2,089,000
N2 to V3 to provide funding to Cheshire Probation Board for North West Pathfinder Projects.	107,000	-107,000
V3 to N2 to provide funding to HM Inspectorate of Probation for Risk of Harm Assessments.	100,000	-100,000
N2 to V3 to provide funding to local area boards for Probation Service Officers induction.	800,000	-800,000
N2 to V3 to provide funding to local area boards for Effective Practice Training Managers.	600,000	-600,000
N2 to P2 for Operational Policy Directorate- OPRU	1,432,000	-1,432,000
N2 to P2 for Operational Policy Directorate - Sentencing Council Guidelines	1,080,000	-1,080,000
N2 to P2 for Operational Policy Directorate - Chaplaincy HQ	866,000	-866,000
P2 to W3 to cover increase in superannuation costs during 2005-06	3,290,000	-3,290,000
P2 to W3 for utilities inflation during 2005-06	418,000	-418,000
P2 to W3 to enhance regimes of 120 Street Crime Contingency Beds at Lancaster Farms YOI 2006-07	1,555,000	-1,555,000
P2 to W3 Baseline Resource funding (Programme) to enhance regimes of 120 Street Crime Contingency Beds at Lancaster Farms	2,621,000	-2,621,000
P2 to W3 to enhance regimes at Werrington YOI 2006-07	135,000	-135,000
P2 to W3 to enhance regimes at Wetherby YOI 2006-07	269,000	-269,000
P2 to W3 to fund HMPS Quantum project 2006-07	439,000	-439,000
N2 to P2 for Dangerous Severe Personality Disorder (DSPD)	800,000	-800,000
N2 to P2 for Dangerous Severe Personality Disorder (DSPD) transfers for HMPS - High Security	12,609,000	-12,609,000
N2 to P2, reduced after discussions with Public Protection Licence Release (PPLR) and Alan Sharp - HMPS. The Bail Accommodation Project was introduced in June 2007 by the NOMS to enable Courts and Prison Governors to make greater use of bail and early release. This service is provided on a regional basis by ClearSprings Ltd and the costs relate to the Guaranteed Occupancy levels and an estimate of users. This transfer is to cover public sector prison costs.	1,015,000	-1,015,000
N2 to P2 NOMS for funding IPP Prisoners reduced to £2,900,000 after discussions with Public Protection Licensed Release.	2,900,000	-2,900,000
N2 to V3 NOMS to provide funding to local area boards for the Bail Accommodation Project. The Bail Accommodation Project was introduced in June 2007 by NOMS to enable Courts and Prison Governors to make greater use of bail and early release. This service is provided on a regional basis by ClearSprings Ltd and the costs relate to the Guarantee Occupancy levels and an estimate of users. This transfer is to cover probation costs.	333,000	-333,000

Introduction (continued)

<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section A	Reduction in secondee income	1,370,000	-1,370,000
Section D	Increase in remissions income in PGO	1,530,000	-1,530,000
Section C	Increase in fine income	99,000,000	-99,000,000
Section C	Increase in compensation claim for early termination of lease	415,000	-415,000
Section C	Increase in income received from the sale of CUPID properties	841,000	-841,000
Section C	Increase in respect of Asset Recovery Incentive Scheme	3,830,000	-3,830,000
Section C	Increase in fine income	10,000,000	-10,000,000
Section A	Increase in Claims Management Regulation income . Equivalent budget is also required to cover increased CMR running costs and VAT charges on invoices.	800,000	-800,000
Section F	Increase in appropriations in aid	905,000	-905,000
		<u>Total</u>	<u>8,548,488,000</u>
		Total change in resources for RfR1	5,653,030,000

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Other changes</u>			
Subhead D3	Increase in grant payable to the Scottish Consolidated Fund.	331,939,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section A	Increase in rental income.	635,000	-635,000
<u>Resource transfers within the Request for Resources</u>			
Subhead A1	D3 to A1 in respect of IT costs.	56,000	-56,000
		<u>Total</u>	<u>332,630,000</u>
		Total change in resources for RfR2	331,939,000

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
Subhead A1	Transfer from Parliamentary Council Office	226,000	
<u>Other changes</u>			
<u>Transfers to/from non-voted spending</u>			
Subhead A1	Transfer from Welsh Assembly to Wales Office for impairment charges	220,000	
Subhead B3	Increase in grant payable to the Wales Consolidated Fund.	128,417,000	

Introduction (continued)Resource transfers within the Request for Resources

B3 to A1 (from Welsh Assembly to Wales Office) for increased Lord Lieutenant's Costs	30,000	-30,000
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<u>Total</u>	128,893,000	-30,000
Total change in resources for RfR3		128,863,000

Total change in resources for Estimate		6,113,832,000
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Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Changes related to movements in budgetsMachinery of Government changes

Transfers from Home Office totalling £540,344,000 as follows:

Subhead A7	Central services.	10,000,000	
Subhead M7	Criminal Justice Reform.	37,441,000	
Subhead N7	National Offender Management Service HQ.	474,799,000	
Subhead P7	Prisons - Public Service.	16,304,000	
Subhead U7	Probation Service.	1,800,000	

Subhead A7	Transfer of responsibility for the Privy Council Secretariat and the Office of the Judicial Committee of the Privy Council.	87,000	
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Take up of DEL End-Year Flexibility

An increase in subhead A7 (RfR1) in respect of Reform and Modernisation Programme (RAMP)	30,000,000	
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Other changes in DEL spending

Subhead A7	CSR07 uplift.	50,000,000	
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Transfers of budgetary cover to/from other government departments

Subhead M7	CJIT transferred from Home Office.	8,220,000	
Subhead M7	CJIT transferred from Home Office	9,262,000	

Transfer to/from non-voted spending

Transfer from subhead N7 to Subhead V3 to provide funding to local area boards for vehicles and capital equipment.	-3,000,000	
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Other changesTransfers within the Estimate

All within RFR1

A7 to M7 in relation to capital expenditure on CJIT	3,144,000	-3,144,000
M7 to N7 in relation to transferred of costs of C-NOMIS from OCJR to NOMS	12,000,000	-12,000,000
£155,000 from subhead M7 to N7 in relation to transferred of Costs of Visor Funding from OCJR to NOMS	155,000	-155,000
M7 to A7 in relation to transfer of capital costs relating to Richard 7 funding	6,310,000	-6,310,000
A7 to N7 in relation to capital costs for CJIT	29,110,000	-29,110,000
A7 to C7 to align with Management Board delegation	33,600,000	-33,600,000

Introduction (*continued*)

C8 to A8 to align with Management Board delegation	11,300,000	-11,300,000
A7 to F7 to align with Management Board delegation	500,000	-500,000
A7 to C7 in relation to Isleworth improvement project following the decision to turn Middlesex Guildhall becoming Supreme Court	16,470,000	-16,470,000
A7 to C7 in relation to a slippage in several court building projects	33,000,000	-33,000,000
A7 to D7 in relation to IT costs related to the Mental Capacity Act	1,000,000	-1,000,000

<u>Total</u>	781,502,000	-146,589,000
Total change in capital for Estimate		634,913,000

- As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £5,993,854,000.
- Symbols are explained in the Introduction to this booklet.

Ministry of Justice †

Part I

£

RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	††	5,653,030,000
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government		331,939,000
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales		128,863,000
Total additional net resource requirement		6,113,832,000
Additional net cash requirement	††	5,993,854,000

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

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

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

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

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

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

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

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

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

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

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

† In the Main Estimate, this Estimate was titled 'Department for Constitutional Affairs'.

†† 1) The Judicial Committee of the Privy Council and the Privy Council Secretariat were transferred from the Privy Council Office on 1 April 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement for RfR1 is increased by £2,268,000;
- b) operating appropriations in aid for RfR1 are increased by £40,000;
- c) the net cash requirement is increased by £2,320,000.

†† 2) The Operations of The Office for Criminal Justice Reform, the Criminal Injuries Compensation Authority and the Criminal Case Review Commission. The National Offender Management Service, Prisons Public & Private, The National Probation Service including Local Area Boards, The Youth Justice Board and Parole Board were transferred from the Home Office on 9 May 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement for RfR1 is increased by £5,056,283,000;
- b) operating appropriations in aid for RfR1 are increased by £402,594,000
- c) the net cash requirement is increased by £5,171,011,000.

†† 3) The operations of Her Majesty's Court Inspectorate in relation to Children & Family Court Advisory and Support Service (CAFCASS) were transferred to the Office for Standards in Education, Children's Services and Skills on 1 April 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement for RfR1 is decreased by £485,000;
- b) the net cash requirement is decreased by £485,000.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR1 - A Headquarters and Associated Offices	432,467	551,929	32,840	519,089	951,556
RfR1 - C HM Courts Service	961,130	119,280	98,086	21,194	982,324
RfR1 - D Office of the Public Guardian and Court of Protection	1,100	1,557	1,530	27	1,127
RfR1 - F Tribunals Service	299,622	4,212	905	3,307	302,929
RfR1 - G Princess of Wales Inquest	515	-145	-	-145	370
Non-Budget					
RfR1 - H Legal Services Commission: Administration	116,800	5,178	-	5,178	121,978
RfR1 - I Criminal Defence Service	1,172,300	-19,054	-	-19,054	1,153,246
RfR1 - J Community Legal Service	860,000	36,354	-	36,354	896,354
RfR1 - K Information Commissioner's Office	4,999	1	-	1	5,000
RfR1 - L Judicial Appointments Commission	5,700	1,430	-	1,430	7,130
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR1 - M Criminal Justice Reform	-	154,123	20,879	133,244	133,244
RfR1 - N National Offender Management Service HQ	-	1,090,527	52,415	1,038,112	1,038,112
RfR1 - O Prisons Private Sector	-	248,029	-	248,029	248,029
RfR1 - P Prisons Public Sector	-	2,365,302	329,300	2,036,002	2,036,002
RfR1 - Q Probation HQ	-	57,708	-	57,708	57,708
<i>Support to local authorities</i>					
RfR1 - R CORE capital grants to local authorities	-	2,000	-	2,000	2,000
Non-Budget					
RfR1 - S Parole Board	-	7,789	-	7,789	7,789
RfR1 - T National Probation Services (local area boards)	-	881,090	-	881,090	881,090
RfR1 - U Youth Justice Board	-	448,881	-	448,881	448,881
RfR1 - V Criminal Injuries Compensation Authority	-	223,789	-	223,789	223,789

Part II: Changes proposed (*continued*)

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR1 - W Criminal Cases Review Commission	-	6,815	-	6,815	6,815
RfR1 - X Loan Charges	-	2,190	-	2,190	2,190
Total RfR 1		6,188,985	535,955	5,653,030	
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 2 - A Scotland Office	4,368	691	635	56	4,424
RfR 2 - D Grant payable to the Scottish Consolidated Fund	24,613,393	331,883	-	331,883	24,945,276
Total RfR 2		332,574	635	331,939	
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government Spending</i>					
RfR 3 - A Wales Office	3,913	476	-	476	4,389
Non-Budget					
RfR 3 - B Grant payable to the National Assembly for Wales	11,859,826	128,387	-	128,387	11,988,213
Total RfR 3		128,863	-	128,863	
Total Changes to RfRs		6,650,422	536,590	6,113,832	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	167,735	634,913	802,648
Non-Operating A in A	33,000	-	33,000
Net cash requirement	40,256,195	5,993,854	46,250,049

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all								
710,260	6,155,250	3,793,762	10,659,272	1,106,597	9,552,675	801,782	33,000	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Headquarters and Associated Offices								
484,295	504,493	-	988,788	37,232	951,556	37,582	11,300	
B Judicial Pensions Administration								
412	-	-	412	400	12	-	-	
C HM Courts Service								
18,225	1,583,165	-	1,601,390	619,066	982,324	186,870	21,700	
D Office of the Public Guardian and Court of Protection								
-	19,927	-	19,927	18,800	1,127	2,000	-	
E Costs from Central Funds								
-	45,000	-	45,000	-	45,000	-	-	
F Tribunals Service								
27,090	304,344	-	331,434	28,505	302,929	4,560	-	
G Princess of Wales Inquest								
370	-	-	370	-	370	-	-	
Non-Budget								
H Legal Services Commission: Administration								
-	-	121,978	121,978	-	121,978	-	-	
I Criminal Defence Service								
-	-	1,153,246	1,153,246	-	1,153,246	-	-	
J Community Legal Service								
-	-	896,354	896,354	-	896,354	-	-	
K Information Commissioner's Office								
-	-	5,000	5,000	-	5,000	-	-	
L Judicial Appointments Commission								
-	-	7,130	7,130	-	7,130	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
M Criminal Justice Reform								
18,903	97,720	37,500	154,123	20,879	133,244	39,602	-	
N National Offender Management Service HQ								
80,138	1,010,389	-	1,090,527	52,415	1,038,112	513,064	-	
O Prisons Private Sector								
1,078	246,951	-	248,029	-	248,029	-	-	

Part II: Revised subhead detail including additional provision

	Resources					Capital		£'000
	1	2	3	4	5	6	7	8
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
P Prisons Public Sector	75,492	2,289,810	-	2,365,302	329,300	2,036,002	16,304	-
Q Probation HQ	4,257	53,451	-	57,708	-	57,708	1,800	-
<i>Support to local authorities</i>								
R CORE capital grants to local authorities	-	-	2,000	2,000	-	2,000	-	-
Non-Budget								
S Parole Board	-	-	7,789	7,789	-	7,789	-	-
T National Probation Services (local area boards)	-	-	881,090	881,090	-	881,090	-	-
U Youth Justice Board	-	-	448,881	448,881	-	448,881	-	-
V Criminal Injuries Compensation Authority	-	-	223,789	223,789	-	223,789	-	-
W Criminal Cases Review Commission	-	-	6,815	6,815	-	6,815	-	-
X Loan Charges	-	-	2,190	2,190	-	2,190	-	-
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government								
	8,124	300	24,945,276	24,953,700	1,600	24,952,100	100	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Scotland Office	5,299	-	-	5,299	875	4,424	100	-
B Office of the Advocate General	2,825	-	-	2,825	725	2,100	-	-
C Boundary Commission for Scotland	-	300	-	300	-	300	-	-
Non Budget								
D Grant payable to the Scottish Consolidated Fund	-	-	24,945,276	24,945,276	-	24,945,276	-	-

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales								
4,398	-	11,988,213	11,992,611	9	11,992,602	766	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Wales Office								
4,398	-	-	4,398	9	4,389	766	-	
Non-budget								
B Grant payable to the National Assembly for Wales								
-	-	11,988,213	11,988,213	-	11,988,213	-	-	
Total for Estimate:								
722,782	6,155,550	40,727,251	47,605,583	1,108,206	46,497,377	802,648	33,000	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	40,383,545	6,113,832	46,497,377
Voted capital items			
Capital	167,735	634,913	802,648
<i>Less:</i> Non-operating A in A	33,000	-	33,000
Total net voted capital	134,735	634,913	769,648
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-147,082	-206,755	-353,837
Depreciation	-135,299	-196,635	-331,934
New provisions and adjustments to previous provisions	-	-464,435	-464,435
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-62	-	-62
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-1,642	31,025	29,383
Use of provisions	22,000	81,909	103,909
Total accruals to cash adjustments	-262,085	-754,891	-1,016,976
Excess cash to be CFERd	-	-	-
Net Cash Requirement	40,256,195	5,993,854	46,250,049

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	701,803
RfR2	6,524
RfR3	4,389
	<hr/>
Total Net Administration Costs	712,716
Net Programme Costs	
RfR1	8,850,872
RfR2	24,945,576
RfR3	11,988,213
Non-voted	88,000
	<hr/>
Total Net Programme costs	45,872,661
Total Net Operating Cost	46,585,377
<i>of which:</i>	
Net Resource Requirement	46,497,377
Non-voted expenditure	88,000
Consolidated Fund Extra Receipts	-
Resource Budget	9,165,063

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	46,497,377
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	88,000
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	46,585,377
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-2,000
European Union income related to capital grants	-
voted expenditure outside the budget	-36,933,489
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-484,825
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	9,165,063
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	9,164,188
Annually Managed Expenditure (AME)	875

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	769,648
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	30,055
capital grants	2,000
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	801,703
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	801,703
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Alex Allan, Permanent Head of Department
Request for Resources 2	David Middleton, Head of Scotland Office
Request for Resources 3	Alan Cogbill, Head of Wales Office

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

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

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

Administration	8,457
<i>of which:</i>	
Sale of goods and services	8,457
Programme	1,098,140
<i>of which:</i>	
Sale of goods and services	1,098,140
Total RfR1	1,106,597 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: civil court fees; receipts in relation to the victims surcharge, charges and receipts received. Fees charged by the Public Trustee, recoveries by the Official Solicitor, fees charged by the Office of the Public Guardian and Court of Protection; recoveries from the National Investment and Loans Office for the cost of administering funds in court. Recovery from the investment managers for the cost of administering the Commons Investment Schemes, recoveries for research and recommendation work undertaken by the Law Commission. Recoveries from the National Insurance Fund for the cost of Social Security Commissioners, income from National Insurance Fund in relation to the Tribunals Appeals Service. Fees relating to the Office of the Information Commissioner and receipts in relation to data protection enquiries. Fees from nursery facilities and other fees; receipts from rents; service charges and site usage; recovery for magistrates' courts accommodation. Contributions paid by legally aided defendants in the higher courts.

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

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

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

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

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

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

Notes to the Estimate (*continued*)

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

£'000

2007-08

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

Administration	9
<i>of which:</i>	
Sale of goods and services	9
Total RfR3	9 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from rent for use of accommodation in Gwydyr House by the National Assembly of Wales.

Total Operating A in A	1,108,206
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Analysis of non - operating appropriations in aid (A in A)

£'000

2007-08

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

Administration	-
<i>of which:</i>	
Sale of assets	-
Programme	33,000
<i>of which:</i>	
Sale of assets	33,000
Total RfR1	33,000 †

† 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	33,000
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	4,057,099	1,324,762	5,807,626	3,356,562	9,164,188
<i>of which: †</i>					
<i>Administration budget</i>	189,180	-	712,716	-	712,716
<i>Near-cash in RDEL</i>	3,189,394	1,599,549	4,657,358	3,866,348	8,523,706
Capital DEL ††	636,913	27,055	771,648	30,055	801,703
Less Depreciation †††	-196,635	-5,953	-331,934	-5,954	-337,888
Total DEL	4,497,377	1,345,864	6,247,340	3,380,663	9,628,003

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

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

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

Cash which may be retained to offset expenditure

£'000

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	1,106,597
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Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

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

Grants in Aid

RfR/Section	Body	£'000
RfR 1 - S	Parole Board ♥	7,789
RfR 1 - T	Probation Service Grants to Local Area Boards ♥	881,090
RfR 1 - U	Youth Justice Board ♥	448,881
RfR 1 - V	Criminal Injuries Compensation Authority ♥	223,789
RfR 1 - W	Criminal Cases Review Commission ♥	6,815

Contingent Liabilities

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

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>			
Subhead D3	Transfer of Criminal Injuries Compensation Appeals Panel (CICAP) from Northern Ireland Office with effect from 1 December 2007. Reflects payment of a grant in aid to cover resource spending of £671,000 and capital spending of £10,000 by CICAP.	681,000	
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
Sections A and C	Transfer of resources to finance increase in grant in aid paid to the Northern Ireland Judicial Appointments Commission (JAC). In budgetary terms, the utilisation of savings on resource DEL (voted) are being used to cover an increase in resource DEL spending (non-voted) by JAC. Transfer from subhead A2 to subhead C3.	130,000	-130,000
Subhead A2	Increase in non-cash costs (£2,500,000 depreciation and £1,000,000 cost of capital) offset by savings in near-cash costs within the section. In budgetary terms, the savings in near-cash resource DEL are being utilised to offset increase in near-cash spending by the Legal Services Commission (section B).	3,500,000	-3,500,000
<u>Changes in Non-Budget spending</u>			
Subhead B3	Increase in grant in aid paid to the Northern Ireland Legal Services Commission (LSC) to reflect increased near-cash spending on publicly funded legal services. In budgetary terms, the increase in near-cash resource DEL spending by LSC is offset by savings in DEL on courts and other legal services (section A).	3,500,000	
		<u>Total</u>	<u>7,811,000</u> <u>-3,630,000</u>
Total change in resources for RfR1			4,181,000
Total change in resources for Estimate			4,181,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £681,000.

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

Northern Ireland Court Service

Part I

£

RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	†	4,181,000
Total additional net resource requirement		4,181,000
Additional net cash requirement	†	681,000

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

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

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

The Northern Ireland Court Service will account for this Estimate.

† The Criminal Injuries Compensation Appeals Panel is being transferred from the Northern Ireland Office to the Northern Ireland Court Service from 1 December 2007. Within the overall changes in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement is increased by £681,000;
- b) the net cash requirement is increased by £681,000.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Court and other legal services	53,511	-130	-	-130	53,381
Non-budget					
RfR1 - B Legal Services Commission	65,762	3,500	-	3,500	69,262
RfR1 - C Judicial Appointments Commission	1,370	130	-	130	1,500
RfR1 - D Criminal Injuries Compensation Appeals Panel	-	681	-	681	681
Total RfR 1		4,181	-	4,181	
Total Changes to RfRs		4,181	-	4,181	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	6,000	-	6,000
Non-Operating A in A	-	-	-
Net cash requirement	115,468	681	116,149

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland								
20,311	51,045	71,468	142,824	18,000	124,824	6,000	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Court and other legal services								
20,311	51,045	25	71,381	18,000	53,381	6,000	-	
Non-budget								
B Legal Services Commission								
-	-	69,262	69,262	-	69,262	-	-	
C Judicial Appointments Commission								
-	-	1,500	1,500	-	1,500	-	-	
D Criminal Injuries Compensation Appeals Panel								
-	-	681	681	-	681	-	-	
Total for Estimate:								
20,311	51,045	71,468	142,824	18,000	124,824	6,000	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	120,643	4,181	124,824
Voted capital items			
Capital	6,000	-	6,000
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	6,000	-	6,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-5,075	-1,000	-6,075
Depreciation	-6,100	-2,500	-8,600
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-11,175	-3,500	-14,675
Excess cash to be CFERd	-	-	-
Net Cash Requirement	115,468	681	116,149

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	2,311
Total Net Administration Costs	2,311
Net Programme Costs	
RfR1	122,513
Non-voted	5,166
Total Net Programme costs	127,679
Total Net Operating Cost	129,990
<i>of which:</i>	
Net Resource Requirement	124,824
Non-voted expenditure	5,166
Consolidated Fund Extra Receipts	-
Resource Budget	133,180

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	124,824
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	5,166
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	129,990
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	3,190
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	133,180
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	133,180
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	6,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	10
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	6,010
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,010
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

David A Lavery, Director of the NICS

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	
Administration	18,000
<i>of which:</i>	
Sale of goods and services	18,000
Programme	-
<i>of which:</i>	
Sale of goods and services	-
Total RfR1	18,000 †
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: court fees paid by litigants in civil proceedings, fine monies arising from the payment of certain conditional offer fixed penalty notices to cover project costs incurred by the Northern Ireland Court Service and Northern Ireland Office, administration fees paid in respect of funds in court, monies recovered in respect of third party claims, recoveries from the National Insurance Fund for the costs of the Office of the Social Security and Child Support Commissioners and other fees and receipts received.</i>	
Total Operating A in A	18,000

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-130	871	53,381	79,799	133,180
<i>of which: †</i>					
<i>Administration budget</i>	-	-	2,311	-	2,311
<i>Near-cash in RDEL</i>	-3,630	3,630	38,706	75,928	114,634
Capital DEL ††	-	10	6,000	10	6,010
Less Depreciation †††	-2,500	-	-8,600	-20	-8,620
Total DEL	-2,630	881	50,781	79,789	130,570

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	18,000

The National Archives

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Promoting 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			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
Following a review with HM Treasury, it was agreed that it was appropriate to reclassify administration budget spending as programme spending. This reflects the fact that the majority of the resources are now consumed in providing direct services of, for example, public access to national records, family records and archives at Kew and other sites; the publishing, conservation and preservation of records; and U.K. information management advice and policy including standards, compliance, and copyright. This change is neutral in DEL overall.			
Section A	Transfer from subhead A1 to subhead A2.	42,852,000	-42,852,000
Section B	Transfer from subhead B1 to subhead B2.	1,147,000	-1,147,000
Section C	Transfer from subhead C1 to subhead C2.	2,016,000	-2,016,000
<u>Other changes</u>			
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section A	An increase in operating income (subhead A5) generated by licensing, grant and service sales to other government departments. This is offset by an increase in other current spending (subhead A2).	4,103,000	-4,102,000
Section C	An increase in operating income (subhead C5) generated by support and service sales. This is offset by an increase in other current spending (subhead C2).	1,039,000	-1,039,000
		<u>Total</u>	<u>51,157,000</u> <u>-51,156,000</u>
Total change in resources for RfR1			1,000
Total change in resources for Estimate			1,000

Introduction (*continued*)

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End Year Flexibility</u>			
Section A	Improvements to facilities at Kew site.		
	Funded from capital EYF.	2,100,000	
	Funded from resource EYF.	2,185,000	
		<u>Total</u>	<u>-</u>
Total change in capital for Estimate		4,285,000	4,285,000

- As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £2,411,000.
- Symbols are explained in the Introduction to this booklet.

The National Archives

Part I

£

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 **1,000**

Total additional net resource requirement **1,000**

Additional net cash requirement **2,411,000**

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by The National Archives on:

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

Payments for expenditure on administration and operational associated non-cash costs.

The National Archives will account for this Estimate

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: 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

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 1 - A	Public Record Office	41,252	4,103	4,102	1	41,253
RfR 1 - C	Office of Public Sector Information	2,545	1,039	1,039	-	2,545
Total RfR 1			5,142	5,141	1	
Total Changes to RfRs			5,142	5,141	1	

£000

	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	3,315	4,285	7,600
Non-Operating A in A	-	-	-
Net cash requirement	38,786	2,411	41,197

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Promoting 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							
-	52,385	-	52,385	7,445	44,940	7,600	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Public Record Office						
-	46,955	-	46,955	5,702	41,253	7,433	-
B	Historical Manuscripts Commission						
-	1,147	-	1,147	5	1,142	-	-
C	Office of Public Sector Information						
-	4,283	-	4,283	1,738	2,545	167	-
Total for Estimate:							
-	52,385	-	52,385	7,445	44,940	7,600	-

Part II: Resource to cash reconciliation

	<u>Present</u>	Increase (+)/ Decrease (-)	<u>Revised</u>
			£'000
Net Resource Requirement	44,939	1	44,940
Voted capital items			
Capital	3,315	4,285	7,600
<i>Less: Non-operating A in A</i>	-	-	-
Total net voted capital	3,315	4,285	7,600
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-5,205	1,492	-3,713
Depreciation	-4,093	-907	-5,000
New provisions and adjustments to previous provisions	-110	110	-
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	-	-2,700	-2,700
Use of provisions	-	130	130
Total accruals to cash adjustments	-9,468	-1,875	-11,343
Excess cash to be CFERd	-	-	-
Net Cash Requirement	38,786	2,411	41,197

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	-
Total Net Administration Costs	-
Net Programme Costs	
RfR1	44,940
Non-voted	-
Total Net Programme costs	44,940
Total Net Operating Cost	44,940
<i>of which:</i>	
Net Resource Requirement	44,940
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	44,940

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	44,940
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	44,940
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	44,940
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	44,940
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	7,600
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	7,600
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,600
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Natalie Ceeney, Permanent Head of the Public Record Office and the sole Historical Manuscripts Commissioner
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Natalie Ceeney as the Accounting Officer of The National Archives has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of The National Archives.

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

RfR 1: 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

Administration

of which:

-

Programme

of which:

7,445

Sale of goods and services

6,664

Cost recovery from other government departments

781

Total RfR1

7,445 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges for the sale of copies of documents; sale of publications and other items and services; professional fees; fees receivable from service providers; sale of fixed assets; grants received to carry out specific projects; reproduction fees and royalties for the publication of images; Crown copyright fees and royalties; fees for the management of third parties' copyright; fee for the management of the Office of the Queen's Printer for Scotland; income from contractual arrangements for official publishing and partnerships to make historical records electronically accessible; and sales and recovery of costs for goods/services provided to other government departments, public bodies and the general public.

Total Operating A in A

7,445

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1	-	44,940	-	44,940
<i>of which: †</i>					
Administration budget	-43,711	-	-	-	-
Near-cash in RDEL	-	-	35,471	-	35,471
Capital DEL ††	4,285	-	7,600	-	7,600
Less Depreciation †††	-907	-	-5,000	-	-5,000
Total DEL	3,379	-	47,540	-	47,540

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	7,445

Crown Prosecution Service

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of Departmental Unallocated Provision</u>		
Subhead B2	To increase expenditure on the prosecution of criminal cases.	7,000,000	
	<u>Transfers of budgetary cover to/from other government departments</u>		
Subhead B2	Transfer in programme spending of £14,831,000 from the Ministry of Justice comprising of:		
	(i) to provide support for Local Criminal Justice Boards (LCJB);	1,291,000	
	(ii) to help fund the delivery of the case progression program (Progress). Funding covers the ongoing development, support and rollout of the CMS / Case Progression interface. Specifically funding will cover development, hardware and user training costs;	539,000	
	(iii) to help fund ExiSSr1 program which will allow for the electronic transfer of case data between the Police and CPS;	2,364,000	
	(iv) to help fund the ongoing support of the Witness Management System (WMS), as well as the development of this to meet both CPS customer requirements and wider CJS demands, including new policy and legislative changes;	1,834,000	
	(v) to help fund the Compass Case Management System;	7,300,000	
	(vi) to help fund the delivery of the Serious Organised Crime Act 2005. This covers the support and development of an xCMS (Case Management System) for SOCA, which is hosted on a separate Confidential Network (xGSI). As well as funding xCMS, this budget further covers the network and infrastructure costs for Serious Casework;	1,285,000	
	(vii) to help fund the Liverpool Criminal Justice Centre.	218,000	
Subhead B2	Transfer in programme spending from Home Office to help fund the delivery of the provisions of the Violent Crime Reduction Act 2007	96,000	
Subhead A1	Decrease in administration spending reflecting a transfer of budgetary cover to HM Procurator General and Treasury Solicitor to assist funding of administration support services to the Attorney General's office.		-112,000
		<u>Total</u>	<u>21,927,000</u>
Total change in resources for RfR1			21,815,000
Total change in resources for Estimate			21,815,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £21,815,000.

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

Crown Prosecution Service

Part I

£

RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	21,815,000
Total additional net resource requirement	21,815,000
Additional net cash requirement	21,815,000

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

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

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

The Crown Prosecution Service will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration costs on HQ and Central Services	57,415	-112	-	-112	57,303
RfR 1 - B Crown Prosecutions and Legal Services	567,122	21,927	-	21,927	589,049
Total RfR 1		21,815	-	21,815	
Total Changes to RfRs		21,815	-	21,815	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	7,400	-	7,400
Non-Operating A in A	-	-	-
Net cash requirement	625,073	21,815	646,888

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions								
57,703	633,976	-	691,679	45,327	646,352	7,400	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration costs on HQ and Central Services								
57,703	-	-	57,703	400	57,303	-	-	
B Crown Prosecutions and Legal Services								
	633,976	-	633,976	44,927	589,049	7,400	-	
Total for Estimate:								
57,703	633,976	-	691,679	45,327	646,352	7,400	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	624,537	21,815	646,352
Voted capital items			
Capital	7,400	-	7,400
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	7,400	-	7,400
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,647	-	-2,647
Depreciation	-5,056	-	-5,056
New provisions and adjustments to previous provisions	-745	-	-745
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-89	-	-89
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	1,673	-	1,673
Total accruals to cash adjustments	-6,864	-	-6,864
Excess cash to be CFERd	-	-	-
Net Cash Requirement	625,073	21,815	646,888

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	57,303
Total Net Administration Costs	57,303
Net Programme Costs	
RfR1	589,049
Non-voted	-
Total Net Programme costs	589,049
Total Net Operating Cost	646,352
<i>of which:</i>	
Net Resource Requirement	646,352
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	646,352

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	646,352
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	646,352
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	646,352
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	646,352
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Ken MacDonald QC, Permanent Head of Department

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

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

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

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

Administration	400
<i>of which:</i>	
Income from goods and services	400
Programme	44,927
<i>of which:</i>	
Income from goods and services and from the recovery of criminal assets	44,927
	-
Total RfR1	45,327 †

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

Total Operating A in A	45,327
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	21,815	-7,000	646,352	-	646,352
<i>of which: †</i>					
<i>Administration budget</i>	-112	-	57,303	-	57,303
<i>Near-cash in RDEL</i>	21,815	-7,000	637,815	1,673	639,488
Capital DEL ††	-	-	7,400	-	7,400
Less Depreciation †††	-	-	-5,056	-	-5,056
Total DEL	21,815	-7,000	648,696	-	648,696

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	45,077

Serious Fraud 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: 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>			
<u>Take up of DEL End-Year Flexibility</u>			
Subhead A1	To cover projected overspend on administration costs (of which £200,000 is non-cash costs). In budgetary terms, this is being transferred from the Revenue and Customs Prosecutions Office administration budget EYF entitlement.	2,000,000	
<u>DEL Reserve claims</u>			
Block-buster cases.			
Subhead A1	Administration costs.	4,670,000	
Subhead B2	Programme spending.	8,679,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
Subhead A1	Reduction in spending to provide savings for a reallocation of Resource DEL budgetary cover to HM Procurator General and Treasury Solicitor's department for the running costs of the Attorney General's office.		-4,000
<u>Other changes</u>			
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section A	Expected Proceeds of Crime income (subhead A5) allocated by the Home Office to cover additional administration spending (subhead A1).	300,000	-300,000
		<u>Total</u>	<u>15,649,000</u>
		Total change in resources for RfR1	15,345,000
		Total change in resources for Estimate	15,345,000

Introduction (*continued*)

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL End-Year Flexibility</u>		
Subhead A7	To cover projected capital overspend.	1,700,000	
	<u>DEL Reserve claims</u>		
Subhead A7	The Oil for Food Block-buster Reserve.	300,000	
		<u>Total</u>	<u>2,000,000</u>
Total change in capital for Estimate			2,000,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £17,145,000.
3. Symbols are explained in the Introduction to this booklet.

Serious Fraud Office

Part I

£

RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	15,345,000
Total additional net resource requirement	15,345,000
Additional net cash requirement	17,145,000

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

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

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

The Serious Fraud Office will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	25,169	6,966	300	6,666	31,835
RfR1 - B Investigations and Prosecutions	10,600	8,679	-	8,679	19,279
Total RfR 1		15,645	300	15,345	
Total Changes to RfRs		15,645	300	15,345	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	3,500	2,000	5,500
Non-Operating A in A	-	-	-
Net cash requirement	39,425	17,145	56,570

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law								
31,935	19,529	-	51,464	350	51,114	5,500	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
31,935	200	-	32,135	300	31,835	5,500	-	
B Investigations and Prosecutions								
-	19,329	-	19,329	50	19,279	-	-	
Total for Estimate:								
31,935	19,529	-	51,464	350	51,114	5,500	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000 Revised</u>
Net Resource Requirement	35,769	15,345	51,114
Voted capital items			
Capital	3,500	2,000	5,500
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	3,500	2,000	5,500
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-79	-	-79
Depreciation	-1,600	-200	-1,800
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-65	-	-65
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	930	-	930
Increase(-)/decrease (+) in creditors	930	-	930
Use of provisions	40	-	40
Total accruals to cash adjustments	156	-200	-44
Excess cash to be CFERd	-	-	-
Net Cash Requirement	39,425	17,145	56,570

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

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

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	5,500
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	5,500
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	5,500
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Robert Wardle, Director of the Serious Fraud Office

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

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

Notes to the Estimate (continued)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	15,345	-	51,114	-	51,114
<i>of which: †</i>					
<i>Administration budget</i>	6,666	-	31,635	-	31,635
<i>Near-cash in RDEL</i>	15,145	-	49,170	40	49,210
Capital DEL ††	2,000	-	5,500	-	5,500
Less Depreciation †††	-200	-	-1,800	-	-1,800
Total DEL	17,145	-	54,814	-	54,814

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

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

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

Cash which may be retained to offset expenditure

£'000

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid 350

HM Procurator General and Treasury Solicitor

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
Section B	To meet the cost of policy support to the Attorney General's office (near cash).	350,000	
Section B	To meet the cost of the Attorney General's office (non-cash).	362,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
To meet the cost of policy support to the Attorney General's office:			
Section B	Transfer from the Revenue and Customs Prosecutions Office.	317,000	
Section B	Transfer from the Crown Prosecution Service.	112,000	
Section B	Transfer from the Serious Fraud Office.	4,000	
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
Section A	Transfer from section B due to overpayment on initial transfer to the Attorney General's office.	58,000	
Section B	Transfer to section A due to overpayment on initial transfer to the Attorney General's office.		-58,000
		<u>Total</u>	<u>1,203,000</u>
			<u>-58,000</u>
		Total change in resources for RfR1	1,145,000
		Total change in resources for Estimate	1,145,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £783,000.

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

HM Procurator General and Treasury Solicitor

Part I

£

RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	1,145,000
Total additional net resource requirement	1,145,000
Additional net cash requirement	783,000

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

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

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

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

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000	
					New Net Provision	
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR1 - A	TSD Administration	2,769	58	-	58	2,827
RfR1 - B	AGO Administration	4,884	1,087	-	1,087	5,971
Total RfR 1		1,145		-	1,145	
Total Changes to RfRs		1,145		-	1,145	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	4,000	-	4,000
Non-Operating A in A	-	-	-
Net cash requirement	16,571	783	17,354

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies								
73,399	34,697	-	108,096	92,630	15,466	4,000	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A TSD Administration								
63,457	-	-	63,457	60,630	2,827	3,900	-	
B AGO Administration								
5,971	-	-	5,971	-	5,971	100	-	
C Operational costs								
-	34,697	-	34,697	32,000	2,697	-	-	
D CPSI Administration								
3,971	-	-	3,971	-	3,971	-	-	
Total for Estimate:								
73,399	34,697	-	108,096	92,630	15,466	4,000	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	14,321	1,145	15,466
Voted capital items			
Capital	4,000	-	4,000
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	4,000	-	4,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-300	-53	-353
Depreciation	-2,100	-309	-2,409
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	300	-	300
Increase(+)/decrease (-) in debtors	100	-	100
Increase(-)/decrease (+) in creditors	250	-	250
Use of provisions	-	-	-
Total accruals to cash adjustments	-1,750	-362	-2,112
Excess cash to be CFERd	-	-	-
Net Cash Requirement	16,571	783	17,354

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	12,769
Total Net Administration Costs	12,769
Net Programme Costs	
RfR1	2,697
Non-voted	-
Total Net Programme costs	2,697
Total Net Operating Cost	15,466
<i>of which:</i>	
Net Resource Requirement	15,466
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	15,466

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	15,466
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	15,466
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	15,466
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	15,466
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Paul Jenkins QC

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	
Administration	60,630
<i>of which:</i>	
Sale of goods and services	60,630
Programme	32,000
<i>of which:</i>	
Sale of goods and services	32,000
Total RfR1	92,630 †
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: recovery of costs from other government departments including costs recovered through legal and administrative services provided, charges for Bona Vacantia work, recovery of costs for tenants in jointly occupied buildings, utilisation of provisions, income in relation to GLS operations, subscription charges, photocopying charges and European fast streamers.</i>	
Total Operating A in A	92,630

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1,145	-	15,466	-	15,466
<i>of which: †</i>					
<i>Administration budget</i>	1,145	-	12,769	-	12,769
<i>Near-cash in RDEL</i>	783	-	12,704	-	12,704
Capital DEL ††	-	-	4,000	-	4,000
Less Depreciation †††	-309	-	-2,409	-	-2,409
Total DEL	836	-	17,057	-	17,057

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	92,630

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>			
RfR1: Provision of Defence Capability			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
I2	1. To take up 2006/2007 Resource End Year Flexibility of £21,000,000 (Section I).	21,000,000	
<u>Machinery of Government Changes</u>			
H2	1. To recognise a machinery of Government change relating to a Contribution in Lieu of Rates (CILOR) for MoD Estate in Gibraltar, comprising £2,059,000 income and £2,059,000 payments (Section H) formerly undertaken by HM Revenue and Customs, effective 1st April 2007.		-
<u>Transfers of Budgetary cover to/from other Government Departments</u>			
G2	1. To effect a Resource transfer in from the Department for Environment, Food and Rural Affairs as a contribution to the National Meteorological Programme and Severe Weather Warning Service (Section G).	4,863,000	
G2	2. To effect a Resource transfer in from the Cabinet Office in respect of future funding arrangements for the expansion of the Parliamentary Counsel Office (Section G).	200,000	
G2	3. To effect a Resource transfer in from the Security and Intelligence Services Agency in respect of support services funding for GCHQ (Section G).	42,525,000	
I2	4. To effect a Resource transfer out to the Department of Culture, Media and Sport as a contribution to the Leeds Armouries Museum Pattern Room staffing costs (Section I).		-149,000
G2	5. To effect a Resource transfer out to the Department of Business, Enterprise and Regulatory Reform as a contribution to the Global Partnership against the spread of weapons and materials of Mass Destruction (Section G).		-4,000,000
<u>Transfers from Capital spending to Resource spending</u>			
I2,7	1. To transfer £455,000,000 Capital Resource to Direct Resource within RfR1 (Section I), relating to Single Use Military Equipment (SUME) flexibility.	455,000,000	

Introduction (continued)**Other Changes**

G2	1. To use £55,000,000 of additional income that will be paid to the Consolidated Fund (Part III) with a corresponding increase in Direct RDEL available to the Department (Section G).	55,000,000	
E2/R2	2. To recognise a Grant in Aid payment to the Royal Irish Benevolent Fund of £60,000, which provides help to members of the Irish Home Service or their dependents, by increasing Non-Budget expenditure and reducing DEL (Sections E and R).		-
A2- J2,V2	3 To revise sub-head provisions (A to J and V) to reflect revisions in allocations between Top Level Budget Holders to match required defence outputs, with no overall impact on RDEL.		-
V2-7	4. With effect from 1st April 2007, Commander-in-Chief Strike Command and Personnel and Training Command were merged to form the new Commander- in- Chief Air Command TLB.		-
	Total change in resources for RfR1	<u>574,439,000</u>	- 574,439,000

RfR2: Operations and Peace Keeping ††

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Special Reserve claims</u>			
Peace keeping operations:			
B2	1. To increase the RfR2 to reflect the net costs of peace keeping in Iraq (£729,000,000) and Afghanistan (£586,000,000) (Section B).	1,315,000,000	
	Total change in resources for RfR2	<u>Total</u> <u>1,315,000,000</u>	- 1,315,000,000
Total change in resources for Estimate			1,889,439,000

Introduction (*continued*)

Changes in Capital

RfR1: Provision of Defence Capability

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of End Year Flexibility</u>			
I7	1. To take up 2006/2007 Capital End Year Flexibility of £65,000,000 (Section I).	65,000,000	
<u>Transfers from Capital to Resources</u>			
I7	1. To transfer £455,000,000 Capital Resource to Direct Resource within RfR1 (Section I) relating to Single Use Military Equipment (SUME) flexibility.		-455,000,000
I7	2. To transfer £70,000,000 from Voted Capital DEL to Non-Voted Near Cash Resource DEL to cover planned cash release of provision payments (Section I).		-70,000,000
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources - Neutral</u>			
	1. To revise sub-head provisions (A to J and V) to reflect revisions in allocations between Top Level Budget Holders to match required defence outputs, with no overall impact on RDEL.		-

RfR2: Operations and Peace Keeping ††

Section Reason for change

<u>Changes related to movements in budgets</u>			
<u>Special Reserve claims</u>			
Peace keeping operations:			
B7	1. To increase the RfR2 to reflect the Capital costs of peace keeping in Iraq (£226,000,000) and Afghanistan (£378,000,000) (Section B).	604,000,000	
		<u>Total</u>	
Total change in Capital for Estimate		669,000,000	-525,000,000
			144,000,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £2,158,439,000.

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

Ministry of Defence

Part I

£

RfR1: Provision of Defence Capability	†	574,439,000
RfR2: Operations and Peace Keeping ††		1,315,000,000
RfR3: War Pensions and Allowances, etc		-
Total additional net resource requirement		1,889,439,000
Additional net cash requirement		2,158,439,000

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

RfR1: Provision of Defence Capability

Personnel costs of the Armed Forces and their reserves and cadet forces and personnel costs of Defence Ministers and of civilian staff employed by the Ministry of Defence; movements; charter of ships; logistic services for the Armed Forces; repair, maintenance, stores and supply services; associated capital facilities and works; contractors' redundancy 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.

RfR2: Operations and Peace Keeping

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

RfR3: War Pensions and Allowances, etc

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

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

† The Contribution in lieu of rates (CILOR) function (Section H, RfR 1) was transferred from HMRC to MoD on 1st April 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government change are:

- the net resource requirement is unaffected;
- operating appropriations in aid in RfR 1 are increased by £ 2,059,000;
- the net cash requirement is unaffected.

†† In the Main Estimate the RfR title was 'Conflict Prevention'.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR1: Provision of Defence Capability					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Fleet	2,111,526	90,119	-	90,119	2,201,645
RfR 1 - B Commander-in-Chief Land Command	5,785,716	84,695	-	84,695	5,870,411
RfR 1 - C Commander-in-Chief Strike Command	1,738,680	-1,763,141	-24,461	-1,738,680	-
RfR 1 - D Chief of Joint Operations	418,843	-7,771	-	-7,771	411,072
RfR 1 - E Adjutant General	758,661	-76,702	-	-76,702	681,959
RfR 1 - F Personnel and Training Command	770,175	-920,677	-150,502	-770,175	-
RfR 1 - G Central	2,194,547	76,022	-	76,022	2,270,569
RfR 1 - H Defence Estates	2,497,586	105,023	2,059	102,964	2,600,550
RfR 1 - I Defence Equipment and Support	15,687,010	109,923	-	109,923	15,796,933
RfR 1 - J Science Innovation Technology	541,118	-845	-	-845	540,273
Spending in Annually Managed Expenditure (AME)					
Non-Budget					
RfR 1 - R Adjutant General	9,254	60	-	60	83,756
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - V Commander in Chief Air Command	-	2,879,792	174,963	2,704,829	2,704,829
Total RfR1		576,498	2,059	574,439	
RfR2: Operations and Peace Keeping					
Spending in Departmental Expenditure Limits (DEL)					
RfR 2 - B Programme Rest of the World	15,240	1,315,000	-	1,315,000	1,330,240
Total RfR2		1,315,000	-	1,315,000	
Total Changes to RfRs		1,891,498	2,059	1,889,439	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	7,953,884	144,000	8,097,884
Non-Operating A in A	404,354	-	404,354
Net cash requirement	31,677,308	2,158,439	33,835,747

Part II: Revised subhead detail including additional provision

	Resources					Capital		£'000
	1	2	3	4	5	6	7	8
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR1: Provision of Defence Capability	-	34,177,249	223,314	34,400,563	1,217,927	33,182,636	7,493,884	404,354
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Fleet	-	2,235,577	1,786	2,237,363	35,718	2,201,645	44,054	-
B Commander-in-Chief Land Command	-	6,122,302	243	6,122,545	252,134	5,870,411	217,436	-57
C Commander-in-Chief Strike Command	-	-	-	-	-	-	-	-
D Chief of Joint Operations	-	435,488	-	435,488	24,416	411,072	51,488	-
E Adjutant General	-	691,152	3,787	694,939	12,980	681,959	19,592	-
F Personnel and Training Command	-	-	-	-	-	-	-	-
G Central	-	2,386,276	190,874	2,577,150	306,581	2,270,569	-	250
H Defence Estates	-	2,778,856	-	2,778,856	178,306	2,600,550	242,472	353,000
I Defence Equipment and Support	-	16,024,233	1,025	16,025,258	228,325	15,796,933	6,858,759	232
J Science Innovation Technology	-	536,172	4,101	540,273	-	540,273	-	-
K Loans and grants to and repayments from the Hydrographic Office	-	-	-	-	-	-	-	421
L Loans and grants to and repayments from DARA	-	-	-	-	-	-	-	55,812
M Loans and grants to and repayments from ABRO	-	-	-	-	-	-	-	2,154
N Loans and grants to and repayments from Met Office	-	-	-	-	-	-	-	-7,458
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
O Chief of Joint Operations	-	3,599	-	3,599	-	3,599	-	-
P Central	-	-12	8,411	8,399	4,500	3,899	-	-
Q Defence Equipment and Support	-	83,696	-	83,696	-	83,696	-	-

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000	
1	2	3	4	5	6	7	8		
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
Non-Budget									
R	Adjutant General	-	-	9,314	9,314	-	9,314	-	-
S	Central	-	-	750	750	-	750	-	-
T	Defence Equipment and Support	-	-	-	-	4	-4	-	-
U	Defence Estates	-	3,141	-	3,141	-	3,141	1,904	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
V	Commander in Chief Air Command	-	2,876,769	3,023	2,879,792	174,963	2,704,829	58,179	-
RfR2: Operations and Peace Keeping									
		-	1,359,303	-	1,359,303	-	1,359,303	604,000	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Programme Sub-Saharan Africa	-	29,063	-	29,063	-	29,063	-	-
B	Programme Rest of the World	-	1,330,240	-	1,330,240	-	1,330,240	604,000	-
RfR3: War Pensions and Allowances, etc									
		-	-575	1,027,582	1,027,007	-	1,027,007	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
A	War Pensions Benefits Programme costs	-	-575	1,027,082	1,026,507	-	1,026,507	-	-
A	War Pensions Benefits Programme costs - Far Eastern Prisoners of War	-	-	500	500	-	500	-	-
Total for Estimate:									
		-	35,535,977	1,250,896	36,786,873	1,217,927	35,568,946	8,097,884	404,354

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	33,679,507	1,889,439	35,568,946
Voted capital items			
Capital	7,953,884	144,000	8,097,884
<i>Less: Non-operating A in A</i>	<i>404,354</i>	<i>-</i>	<i>404,354</i>
Total net voted capital	7,549,530	144,000	7,693,530
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,465,193	-	-3,465,193
Depreciation	-6,621,537	-	-6,621,537
New provisions and adjustments to previous provisions	-392,370	-	-392,370
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-474,518	-	-474,518
Increase(+)/decrease (-) in debtors	474,947	-	474,947
Increase(-)/decrease (+) in creditors	497,798	55,000	552,798
Use of provisions	429,144	70,000	499,144
Total accruals to cash adjustments	-9,551,729	125,000	-9,426,729
Excess cash to be CFERd	-	-	-
Net Cash Requirement	31,677,308	2,158,439	33,835,747

Part III: Extra receipts payable to the Consolidated Fund

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

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	55,000	<i>55,000</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	-	-	55,000	<i>55,000</i>

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Programme Costs	
RfR1	33,182,636
RfR2	1,359,303
RfR3	1,027,007
Non-voted expenditure	-
Total Net Programme costs	35,568,946
Total Net Operating Cost	35,568,946
<i>of which:</i>	
Net Resource Requirement	35,568,946
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	35,780,099

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	35,568,946
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	35,568,946
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-3,887
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
Resource consumption of non-departmental public bodies	15,040
unallocated resource provision	200,000
Other adjustments	-
Resource Budget (Budget)	35,780,099
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	34,720,632
Annually Managed Expenditure (AME)	1,059,467

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	7,693,530
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	744
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-1,904
Capital Budget (Budget)	7,692,370
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,692,370
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08
Provision

RfR1: Provision of Defence Capability

Programme	1,217,927
<i>of which:</i>	
Sale of goods and services	1,184,049
EU income	4
Interest and dividends	33,874

Total RfR1	1,217,927 †
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† Amount that may be applied as appropriations in aid in addition to the net total, arising from: the recovery of income from fees and income charges.

Total Operating A in A	1,217,927
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Analysis of non - operating appropriations in aid (A in A)

2007-08
Provision

RfR1: Provision of Defence Capability

Programme	404,354
<i>of which:</i>	
Sale of assets	353,425
Loan etc., repayments	50,929

Total RfR1	404,354 †
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† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of fixed assets, including land and buildings and repayment of loans from the Trading Funds.

Total Non - operating A in A	404,354
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2007-08 provision	
	Φ	Income	Receipts
Additional income		55,000	55,000
Total		55,000	55,000

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1,889,379	-	34,437,544	283,088	34,720,632
<i>of which: †</i>					
Administration budget*	-	-	-	-	-
Near-cash in RDEL	1,889,379	440,000	23,819,675	480,943	24,300,618
Capital ††	144,000	-	7,691,626	744	7,692,370
Less Depreciation †††	-	-	-6,618,451	-200,000	-6,818,451
Total	2,033,379	-	35,510,719	83,832	35,594,551

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	1,622,281

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	Royal Navy and Royal Marine Sports Control Board	120
RfR1 - G	Army Sports Control Board	409
RfR1 - H	RAF Sports Control Sports Board	85
RfR1 - I	The Royal British Legion	241
RfR1 - I	Skillforce - Scotland/Wales	242
RfR1 - I	The Scott Polar Institute	35
RfR3 - B	War pensions - Far Eastern Prisoners of War	500

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

RfR/Section	Body		£ '000
RfR1 - A	Navy and Maritime Museums	♥	2,991
RfR1 - G	National Army Museum	♥	5,365
RfR1 - G	Royal Hospital, Chelsea	♥	9,258
RfR1 - H	Royal Air Force Museum	♥	7,019
RfR1 - I	Commonwealth War Graves Commission	♥	34,799

Foreign and Commonwealth Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Promoting intentionally the interests of the UK and contributing to a strong world community			
Section			
Increases:			
<u>Take up of DEL End-Year Flexibility</u>			
A2	Take up of programme EYF for departmental restructuring	22,000,000	
<u>DEL Reserve claims</u>			
A2	Claim on Del Reserve in respect of Emergency Disaster Relief	3,407,000	
<u>Take up of Departmental Unallocated Provision</u>			
A1	Take up of Administration DUP	17,000,000	
<u>Transfers of budgetary cover from other government departments</u>			
A1	Transfer of Administration Budget from Cabinet Office in respect of the Privy Council Office	14,000	
Decreases:			
<u>Transfers of budgetary cover to other government departments</u>			
A2	Transfer of Programme expenditure to HO for the Border and Immigration Office		-7,000,000
A2	Transfer of Programme expenditure to SIA for expansion and capability		-5,000,000
A2	Transfer of Programme expenditure to SIA for expansion and capability		-300,000
Neutral Changes:			
A2, A5	Increased expenditure of £60,000,000, fully offset by income, for Consular and Visa Work		
A2, A5	Increased expenditure of £2,830,000, fully offset by income, in respect of anti-narcotics work		
<u>Other changes</u>			
<u>Transfers from capital to capital grants</u>			
A3	Transfer from capital to capital grants in respect of International Subscriptions	15,200,000	
A3	Transfer from capital to capital grants in respect of Gibraltar Pensions	250,000	
A3	Transfer from capital to capital grants in respect of the Government Secure Zone	1,227,000	
		<u>Total</u>	
Total change in resources for RfR1		59,098,000	-12,300,000
			46,798,000

RfR 2: Conflict prevention

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
Increases:			
<u>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
B3	Transfer from DfID in respect of Conflict Prevention activity in Afghanistan	3,001,000	

Introduction (continued)

Decreases:			
<u>Transfers of budgetary cover to/from other government departments</u>			
B3	Transfer of programme expenditure to the SIA for expansion and capability		-3,000,000
		<u>Total</u>	<u>3,001,000</u>
	Total change in resources for RfR2		-3,000,000
			1,000

Introduction (continued)

Total change in resources for Estimate 46,799,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
Increases			
<u>Changes related to movements in budgets</u>			
<u>Take up of End Year Flexibility</u>			
A7	Take up of End Year Flexibility in respect of the FCO estate	35,000,000	
A7	Take up of Capital DUP	1,000,000	
<u>Other changes</u>			
<u>Transfers from capital to capital grants</u>			
A7	Transfer from capital to capital grants in respect of International Subscriptions		-15,200,000
A7	Transfer from capital to capital grants in respect of Gibraltar Pensions		-250,000
A7	Transfer from capital to capital grants in respect of the Government Secure Zone		-1,227,000
		<u>Total</u>	<u>36,000,000</u>
	Total change in capital for Estimate		-16,677,000
			19,323,000

- As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £ 66,122,000.
- Symbols are explained in the Introduction to this booklet.

Foreign and Commonwealth Office

Part I

£

RfR 1: Promoting intentionally the interests of the UK and contributing to a strong world community	46,798,000
RfR 2: Conflict prevention	1,000
Total additional net resource requirement	46,799,000
Additional net cash requirement	66,122,000

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

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

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

RfR 2: Conflict prevention

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

The Foreign and Commonwealth Office will account for this Estimate.

Part II: Changes proposed

						£'000
Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Promoting intentionally the interests of the UK and contributing to a strong world community						
Spending in Departmental Expenditure Limits (DEL)						
RfR 1 - A Administration, programmes and international organisations subscriptions	1,124,886	109,628	62,830	46,798	1,171,684	
Total RfR 1		109,628	62,830	46,798		
RfR 2: Conflict prevention						
Spending in Departmental Expenditure Limits (DEL)						
RfR 2 - B Global - Programme expenditure	50,240	1	-	1	50,241	
Total RfR 2		1	-	1		
Total Changes to RfRs		109,629	62,830	46,799		

				£000
Capital and Cash	Present Provision	Change in Provision	New Provision	
Total Capital Expenditure	118,203	19,323	137,526	
Non-Operating A in A	10,000	-	10,000	
Net cash requirement	1,789,376	66,122	1,855,498	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Promoting intentionally the interests of the UK and contributing to a strong world community								
972,021	900,805	250,056	2,122,882	444,352	1,678,530	137,526	10,000	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration, programmes and international organisations subscriptions								
972,021	450,759	193,256	1,616,036	444,352	1,171,684	137,526	10,000	
B BBC World Service broadcasting								
-	215,043	-	215,043	-	215,043	-	-	
C British Council								
-	185,003	-	185,003	-	185,003	-	-	
D BBC World Service - Capital Grant								
-	-	31,000	31,000	-	31,000	-	-	
E British Council - Capital Grant								
-	-	7,800	7,800	-	7,800	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
F Administration, programmes and international organisations subscriptions								
-	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								
-	-	256,161	256,161	-	256,161	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Sub-Saharan Africa - Programme expenditure								
-	-	4,510	4,510	-	4,510	-	-	
B Global - Programme expenditure								
-	-	50,241	50,241	-	50,241	-	-	
C Sub-Saharan Africa - Peacekeeping								
-	-	100,141	100,141	-	100,141	-	-	
D Global - Peacekeeping								
-	-	101,269	101,269	-	101,269	-	-	
Total for Estimate:								
972,021	900,805	506,217	2,379,043	444,352	1,934,691	137,526	10,000	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	1,887,892	46,799	1,934,691
Voted capital items			
Capital	118,203	19,323	137,526
<i>Less:</i> Non-operating A in A	10,000	-	10,000
Total net voted capital	108,203	19,323	127,526
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-39,835	-	-39,835
Depreciation	-166,624	-	-166,624
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-260	-	-260
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-206,719	-	-206,719
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,789,376	66,122	1,855,498

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	870,060
RfR2	-
	<hr/>
Total Net Administration Costs	870,060
Net Programme Costs	
RfR1	806,070
RfR2	256,161
Non-voted expenditure	5,861
	<hr/>
Total Net Programme costs	1,068,092
Total Net Operating Cost	1,938,152
<i>of which:</i>	
Net Resource Requirement	1,934,691
Non-voted expenditure	5,862
Consolidated Fund Extra Receipts	-2,401
Resource Budget	1,872,326

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	1,934,691
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	5,862
Consolidated Fund extra receipts in the OCS	-2,401
Other adjustments	-
Net Operating Costs (Accounts)	1,938,152
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-55,227
European Union income related to capital grants	-
voted expenditure outside the budget	-18,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,401
resource consumption of non departmental public bodies	-
unallocated resource provision	5,000
Other adjustments	-
Resource Budget (Budget)	1,872,326
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,822,326
Annually Managed Expenditure (AME)	50,000

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	127,526
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	55,227
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	182,753
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	182,753
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Peter Ricketts, Permanent Head of the Department

Request for Resources 2 Peter Ricketts, Permanent Head of the Department

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Promoting intentionally the interests of the UK and contributing to a strong world community	
Administration	101,961
<i>of which:</i>	
Sale of goods and services	101,961
Programme	342,391
<i>of which:</i>	
Sale of goods and services	344,544
DFID payments to the Commonwealth Foundation	247
CFERs	-2,400
Other income (including receipts)	-
Total RfR1	444,352 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: salary refunds of seconded diplomatic staff and locally engaged staff; the sale of information material, income from sub-letting and receipts from sales of surplus material and equipment; receipts at home and overseas for legalisation fees, telephone and postage recoveries, medical scheme recoveries, bank interest and other sundry receipts, repayment by locally engaged staff of loans for car purchase and medical and other assistance, receipts from Government Departments, receipts for visa, passport and other services provided at consular offices; Wilton Park executive agency receipts for related running costs from other customers and receipts from sales and rents, Hospitality Section, Conference and visits Group and Lancaster House receipts for related running costs from other customers, repayment of sums advanced to distressed British Nationals; repayments of defence assistance loans to Singapore and Malaysia, receipts from Sales into Wider Markets.

Total Operating A in A	444,352
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Analysis of non - operating appropriations in aid (A in A)

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

Administration	-
<i>of which:</i>	
Sale of assets	-
Programme	10,000
<i>of which:</i>	
Sale of assets	10,000
Total RfR1	10,000 †

† Amount that may be applied as non-operating appropriations in aid in addition to the net total arising from: the sale of land and buildings, receipts from the sale of official vehicles and receipts realised by the British Council.

Total Non - operating A in A	10,000
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	30,122	-17,000	1,811,464	10,862	1,822,326
<i>of which:</i>					
<i>Administration budget †</i>	17,014	-17,000	870,060	-	870,060
<i>Near-cash in RDEL</i>	30,122	-17,000	1,654,745	10,862	1,665,607
Capital DEL ††	36,000	-1,000	182,753	-	182,753
Less Depreciation †††	-	-	-116,624	-	-116,624
Total	66,122	-18,000	1,877,593	10,862	1,888,455

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

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

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

Cash which may be retained to offset expenditure

£'000
454,352

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

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body		£ '000
RfR1- B	BBC World Service Broadcasting	◆	246,043
RfR1 - C	British Council	◆	192,803
RfR1- A	Westminster Foundation for Democracy	◆	4,100

International subscriptions

RfR/Section	Body		£ '000
RfR1	UN Regular Budget		69,617
RfR1	Commonwealth Secretariat		4,180
RfR1	OECD		12,877
RfR1	Western European Union		1,645
RfR1	North Atlantic Treaty organisation (NATO)		17,399
RfR1	Council of Europe		19,408
RfR1	OSCE		3,297

Department for Business, Enterprise and Regulatory Reform

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Increasing UK competitiveness			
<u>Transfers to/from Central Funds</u>			
Programme costs			
B3	New provision for face to face debt advice, funded by an award from the Financial Inclusion Fund	2,762,000	
<u>Machinery of Government changes</u>			
Administration costs			
A1	Transfer of National Weights and Measures Laboratory to the Department for Innovation, Universities and Skills		-498,000
A5	Transfer of National Weights and Measures Laboratory to the Department for Innovation, Universities and Skills	498,000	
II	Transfer of Better Regulation Executive from the Cabinet Office	11,429,000	
L1	Transfer of Regional activities from the Department for Communities and Local Government	641,000	
L1	Transfer in respect of innovation to the Department for Innovation, Universities and Skills		-14,690,000
Programme costs			
A2	Transfer of National Weights and Measures Laboratory to the Department for Innovation, Universities and Skills		-214,000
A2	Transfer of National Measurement System to the Department for Innovation, Universities and Skills		-57,573,000
A2	Transfer of Civil Aircraft Research and Demonstration to the Department for Innovation, Universities and Skills		-3,500,000
A2/ A3	Transfer of Technology Strategy activities to the Department for Innovation, Universities and Skills		-178,300,000
A3	Transfer of UK Intellectual Property Office to the Department for Innovation, Universities and Skills		-1,955,000

A3	Transfer of Standards, Knowledge Transfer Partnerships, Legacy Schemes, and Corporate Social Responsibility to the Department for Innovation, Universities and Skills	-56,788,000
A3	Transfer of Space activities to the Department for Innovation, Universities and Skills	-27,707,000
A5	Transfer of Space activities to the Department for Innovation, Universities and Skills	57,000
B2	Transfer of Fair Markets activities associated with National Weights and Measures Laboratory to the Department for Innovation, Universities and Skills	-296,000
H2	Transfer in respect of legal costs to the Department for Innovation, Universities and Skills	-1,000,000
M3	Transfer of UK Intellectual Property Office trading standards activities to the Department for Innovation, Universities and Skills	-4,191,000
	Non- Budget	
T3	Cash consequences of Machinery of Government transfer of non-voted Design Council expenditure to the Department for Innovation, Universities and Skills	-6,500,000
V3	Transfer of refunds of pension adjustments to pensioners for UK income tax to the Department for Innovation, Universities and Skills	-392,000
	<u>Transfers of budgetary cover to/from other government departments</u>	
	Administration costs	
L1	Increase in provision for legal costs funded in budgetary terms by a transfer from the Cabinet Office in respect of the Parliamentary Counsel's Office	1,685,000
L1	Reduction in provision to fund transfer of budgetary cover to the Department for Communities and Local Government relating to earlier Machinery of Government Change relating to Women's Equality	-125,000
	Programme costs	
K3	Transfer from Ministry of Defence for Global Threat Reduction	4,000,000
	<u>Other changes in DEL spending</u>	
J2	Reclassification of Post Office restructuring costs from Annually Managed Expenditure to the Departmental Expenditure Limit	68,000,000
L1	Increase in administration costs arising from reclassification of consultancy fees and contract charges from programme costs	20,000,000
B2	Reduction in programme costs arising from reclassification of consultancy fees and contract costs to administration costs	-3,695,000

D2	Reduction in programme costs arising from reclassification of consultancy fees and contract costs to administration costs	-8,216,000
E3	Reduction in programme costs arising from reclassification of consultancy fees and contract costs to administration costs	-3,025,000
H2	Reduction in programme costs arising from reclassification of consultancy fees and contract costs to administration costs	-1,557,000
J2	Reduction in programme costs arising from reclassification of consultancy fees and contract costs to administration costs	-3,507,000

Changes in Annually Managed Expenditure (AME)

P2	Reclassification of Post Office restructuring costs from Annually Managed Expenditure to the Departmental Expenditure Limit	-68,000,000
P3	Increased forecast for Cost of Capital for Coal Investment Assets	77,400,000
Q3	Increased forecast for London Development Agency Corporation Tax	304,000

Other changesResource transfers within the Request for Resources

A1	Virement of residual administration costs relating to National Measurement System and National Weights and Measures Laboratory from Knowledge Transfer and Innovation following Machinery of Government changes	-7,401,000
L1	Virement of residual administration costs relating to National Measurement System and National Weights and Measures Laboratory to central Departmental administration following Machinery of Government changes	7,401,000
A2	Virement of non-cash budgets for which near-cash was transferred under Machinery of Government changes from Knowledge Transfer and Innovation	-25,268,000
L2	Virement of non-cash budgets for which near-cash was transferred under Machinery of Government changes to programmes supporting all objectives	25,268,000
A3	Virement of non-cash budgets for which near-cash was transferred under Machinery of Government changes from Knowledge Transfer and Innovation	-3,022,000
L2	Virement of non-cash budgets for which near-cash was transferred under Machinery of Government changes to programmes supporting all objectives	3,022,000
E3	Small Firms Loan Guarantee Scheme underspend vired to Ofcom and Home Shipbuilding Guarantee Scheme	-2,679,000
B2	Increase for Ofcom funded by virement from Small Firms Loan Guarantee Scheme	1,521,000
J2	Increase for Home Shipbuilding Guarantee Scheme funded by virement from Small Firms Loan Guarantee Scheme	1,158,000
E3	Small Firms Loan Guarantee Scheme noncash underspend vired to Insolvency Service and Concessionary Fuel	-20,000,000
I2	Insolvency Service noncash funded from Small Firms Loan Guarantee Scheme underspend	14,600,000

J3	Concessionary Fuel noncash funded from Small Firms Loan Guarantee Scheme underspend	5,400,000	
I2	Insolvency Service underspend vired to Fair Markets		-10,248,000
B2	Increase in Fair Markets programmes funded from Insolvency Service underspend	10,248,000	
D2	Renewable energy underspend vired to Better Regulation		-200,000
H2	Legal costs underspend vired to Better Regulation		-300,000
I2	Better Regulation funded from renewable energy and legal costs underspend	500,000	

Transfers to/from non-voted spending

A3	Virement of Regional Development Agencies non-voted budget to voted expenditure on Sustainability programmes	38,755,000	
E2	Virement of Regional Development Agencies non-voted budget to voted expenditure on Business programmes	11,245,000	
E2	Transfer of Small Business Service programme costs to Regional Development Agencies		-1,000,000
F3	Virement of Regional Selective Assistance capital grants underspend to non-voted expenditure by the Local Business Regulation Office		-10,000
I2	Virement of Insolvency Service underspend to non-voted expenditure by the Local Business Regulation Office		-2,000,000
L1	Transfer of Small Business Service administration costs to Regional Development Agencies programme costs		-700,000

Changes in non-budget spending

U3	Regional Development Agencies Grant in Aid increased to reflect correction to outturns in relation to Yorkshire Forward Leeds UDC Dowry	639,000	
U3	Cash consequences of virement from Small Business Service to non-voted expenditure of the Regional Development Agencies	1,000,000	
U3	Cash consequences of virement from Small Business Service administration to Regional Development Agencies	700,000	
U3	Cash consequences of virement of Regional Development Agencies non-voted budget to voted expenditure on Sustainability and Business		-50,000,000
V3	Cash consequences of virement of Regional Selective Assistance capital grants underspend to non-voted expenditure by the Local Business Regulation Office	10,000	
V3	Cash consequences of virement of Insolvency Service underspend to non-voted expenditure by the LBRO	2,000,000	

W3	Revised forecast for Coal Authority Grant in Aid	8,073,000	
W3	Nuclear Decommissioning Authority Grant in Aid increased to correct shortfall in Main Estimate figure	5,193,000	
W3	Nuclear Decommissioning Authority Grant in Aid increased to reflect cash requirement in excess of nearcash DEL	311,500,000	
<u>Transfers from capital grants to capital</u>			
F3	Underspend on Regional Selective Assistance vired to Departmental capital		-4,757,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
F5	Increased resource contributions for Regional Development Agencies from Other Government Departments		-5,671,000
U3	Increase in grant-in-aid for Regional Development Agencies offset by increase in Appropriations- in- Aid	5,671,000	
J5	Increase in Nuclear Decommissioning Authority commercial income		-891,095,000
W3	Increase in grant-in- aid for Nuclear Decommissioning Authority	891,095,000	
I2/ 15	Increase in gross expenditure for Insolvency Service offset by increased Appropriations-in-Aid	80,300,000	-80,300,000
		<u>Total</u>	
Total change in resources for RfR1		1,612,075,000	-1,546,380,000
			65,695,000

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
Administration costs			
H1	Transfer of Science and Engineering Base to the Department for Innovation, Universities and Skills		-3,500,000
I1	Transfer of Transdepartmental Science and Technology Group to the Department for Innovation, Universities and Skills		-5,000,000
<u>Programme costs</u>			
A3	Transfer of the Royal Society to the Department for Innovation, Universities and Skills		-41,072,000

B3	Transfer of the Royal Academy of Engineering to the Department for Innovation, Universities and Skills		-9,752,000
C3	Transfer of the British Academy to the Department for Innovation, Universities and Skills		-21,385,000
D3	Transfer of OST Initiatives to the Department for Innovation, Universities and Skills		-6,000,000
E3	Transfer of Science and Society to the Department for Innovation, Universities and Skills		-11,395,000
F3	Transfer of Knowledge Transfer to the Department for Innovation, Universities and Skills		-104,000,000
G3	Transfer of Science Research Investment Fund to the Department for Innovation, Universities and Skills		-300,000,000
J5	Transfer of the Biotechnology and Biological Sciences Research Council to the Department for Innovation, Universities and Skills	1,000,000	
K2	Transfer of Research Councils' Pension Scheme to the Department for Innovation, Universities and Skills		-18,097,000
	Non- Budget		
L3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Arts and Humanities Research Council to the Department for Innovation, Universities and Skills		-86,866,000
M3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Biotechnology and Biological Sciences Research Council to the Department for Innovation, Universities and Skills		-345,171,000
N3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Economic and Social Research Council to the Department for Innovation, Universities and Skills		-135,018,000
O3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Engineering and Physical Sciences Research Council to the Department for Innovation, Universities and Skills		-659,499,000
P3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Medical Research Council to the Department for Innovation, Universities and Skills		-479,574,000
Q3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Natural Environment Research Council to the Department for Innovation, Universities and Skills		-335,395,000
R3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Science and Technology Facilities Council to the Department for Innovation, Universities and Skills		-458,478,000

S2	Machinery of Government transfer of Fees Payable under the Animals (Scientific Procedures) Act to the Department for Innovation, Universities and Skills	-175,000
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	<u>Total</u>	1,000,000	-3,020,377,000.
Total change in resources for RfR2			-3,019,377,000.

Total change in resources for Estimate			-2,953,682,000.
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Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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RfR 1: Increasing UK competitiveness

Changes related to movements in budgets

Machinery of Government Changes

A8	Transfer of UK Intellectual Property Office non-operating appropriations in aid to the Department for Innovation, Universities and Skills	166,000	
A7	Transfer of National Weights and Measures Laboratory to the Department for Innovation, Universities and Skills		-231,000
A7	Transfer of National Measurement System to the Department for Innovation, Universities and Skills		-5,110,000
L7	Transfer of National Measurement System to the Department for Innovation, Universities and Skills		-4,757,000

Changes in Annually Managed Expenditure (AME)

P7	Utilisation of Royal Mail's agreed working capital facility	600,000,000	
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Other changes

Transfers from capital grants to capital

L7	Underspend on Regional Selective Assistance vired to Departmental capital	4,757,000	
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	<u>Total</u>	604,923,000	-10,098,000.
Total change in capital for Estimate			594,825,000

2. As a result of the above and non-cash adjustments, there is a reduction in the net cash requirement of £2,367,347,000

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

Department for Business, Enterprise and Regulatory Reform †

Part I

£

RfR 1: Increasing UK competitiveness	††	65,695,000
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society *		-3,019,377,000
Total additional net resource requirement	†† *	-2,953,682,000
Additional net cash requirement	††	-2,367,347,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for Business, Enterprise and Regulatory Reform

RfR 1: Increasing UK competitiveness

Promotion of enterprise, innovation and increased productivity delivered through market solutions designed to meet market imperfections identified within the portfolios of international trade and investment, regional investment, enterprise for small firms and people & skills; support for business, including support for specific industries; small businesses, regional programmes and programmes to promote research and development, best practice and sustainable development ; promotion of strong, fair and competitive markets at home and abroad including fair and effective legal and regulatory frameworks and delivering regulatory reform; measures to protect investors, measures to promote the interests of consumers, support for employment relations programmes and measures to promote a skilled and flexible labour market; support for energy- related activities including measures related to regulation , civil emergency planning, environmental remediation and support for new and sustainable energy sources, global threat reduction programmes associated with nuclear, chemical and biological capabilities in the Former Soviet Union and other countries; the efficient management and discharge of liabilities falling to the Department including nuclear waste management and decommissioning and liabilities in respect of former coal and shipbuilding industry employees; exchange risk and other guarantee losses; subscriptions to international organisations and fulfilment of international treaty obligations; payments to other Government Departments and the Devolved Administrations in relation to programmes supporting BERR objectives; support for Government Offices; grants and grants-in-aid to organisations supporting BERR objectives, including Non-Departmental Public Bodies;

financial assistance including the provision of credit facilities to public corporations including Ofcom; managing the Government's shareholder interest in Royal Mail, British Energy, BNFL, UKAEA, Royal Mint, Partnerships UK and Actis; funding of the department's executive agencies ; issuing budgets and making payments to Regional Development Agencies, to which other government departments will contribute by supplying resources which BERR will appropriate in aid; payments to local authorities in respect of schemes supporting better regulation and New Burdens responsibilities; miscellaneous programmes including payments in respect of claims for the restitution of the property of victims of Nazi persecution, compensation for distant water trawlermen and assistance to redundant steelworkers and dismissed miners; departmental administration costs and a share of the administration costs of UK Trade & Investment; payments towards the expenses of the Office of Manpower Economics ; associated non-cash items.

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

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

The **Department for Business, Enterprise and Regulatory Reform** will account for this Estimate.

††,* The function of science and innovation and ensuring world-class research and increased business innovation was transferred to the Department for Innovation, Universities and Skills on 28 June 2007. Within the overall changes sought in this Estimate the specific changes related to this Machinery of Government transfer are: (i) for RfR1 the Net Resource Requirement is reduced by £353,049,000 ; (ii) for RfR1 Operating appropriations in aid are reduced by £555,000; (iii) for RfR2 the Net Resource Requirement is reduced by £3,019,377,000; (iv) for RfR2 Operating appropriations in aid are reduced by £1,000,000; (v) Non-operating appropriations in aid are reduced by £166,000; and (vi) the Net Cash Requirement for the Estimate is reduced by £3,377,600,000.

†† The Function of the Regional PSA team was transferred from the Department for Communities and Local Government on 28 June 2007. Within the overall changes sought in this Estimate the specific changes related to this Machinery of Government transfer are: (i) for RfR1 the Net Resource Requirement is increased by £641,000; and (ii) the Net Cash Requirement for the Estimate is increased by £641,000.

†† The Function of the Better Regulation Executive was transferred from the Cabinet Office on 28 June 2007. Within the overall changes sought in this Estimate the specific changes related to this Machinery of Government transfer are: (i) for RfR1 the Net Resource Requirement is increased by £11,429,000; and (ii) the Net Cash Requirement for the Estimate is increased by £11,429,000.

† In the Main Estimate 2007-08 the department name for this Estimate was ' Department of Trade and Industry '

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Increasing UK competitiveness					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Knowledge Transfer and Innovation	334,122	-323,471	-555	-322,916	11,206
RfR 1- B Extending Competitive Markets	61,362	10,540	-	10,540	71,902
RfR 1- D Sustainability and the Environment	89,935	-8,416	-	-8,416	81,519
RfR 1- E Enterprise Growth and Business Investment	133,949	-15,459	-	-15,459	118,490
RfR 1- F Regional Economies	-1,704,076	-4,767	5,671	-10,438	-1,714,514
RfR 1- H Maximising Potential in the Workplace	57,629	-2,857	-	-2,857	54,772
RfR 1- I Corporate Activity and Insolvency Framework	55,126	94,581	80,300	14,281	69,407
RfR 1- J Assets and Liabilities	-70,578	71,051	891,095	-820,044	-890,622
RfR 1- K Nuclear Security and Export Control	51,391	4,000	-	4,000	55,391
RfR 1- L Activities in Support of all Objectives	272,430	42,502	-	42,502	314,932
<i>Support for Local Authorities</i>					
RfR 1-M Knowledge Transfer and Innovation	4,191	-4,191	-	-4,191	-
Spending in Annually Managed Expenditure(AME)					
<i>Central Government spending</i>					
RfR 1- P Assets and Liabilities	131,049	9,400	-	9,400	140,449
<i>Support for Local Authorities</i>					
RfR 1- Q Regional Economies	2,263	304	-	304	2,567
Non-Budget					
RfR 1- T Enterprise Growth and Business Investment	6,500	-6,500	-	-6,500	-
RfR 1- U Regional Economies	1,841,472	-41,990	-	-41,990	1,799,482
RfR 1- V Corporate Activity and Insolvency Framework	392	1,618	-	1,618	2,010
RfR 1- W Assets and Liabilities	1,875,171	1,215,861	-	1,215,861	3,091,032
					-
Total RfR 1		1,042,206	976,511	65,695	

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

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 2 - A The Royal Society	41,072	-41,072	-	-41,072	-
RfR 2 - B Royal Academy of Engineering	9,752	-9,752	-	-9,752	-
RfR 2 - C British Academy	21,385	-21,385	-	-21,385	-
RfR 2 - D OSI Initiatives	6,000	-6,000	-	-6,000	-

Part II: Changes proposed

		£'000				
Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 2 - E	Science and Society	11,395	-11,395	-	-11,395	-
RfR 2 - F	Knowledge Transfer	104,000	-104,000	-	-104,000	-
RfR 2 - G	Science Research Investment Fund	300,000	-300,000	-	-300,000	-
RfR 2 - H	Science and Engineering Base Administration Costs	3,500	-3,500	-	-3,500	-
RfR 2 - I	Transdepartmental Science and Technology Group administration Costs	5,000	-5,000	-	-5,000	-
RfR 2 - J	Biotechnology and Biological Sciences Research Council	-1,000	-	-1,000	1,000	-
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
RfR 2 - K	Research Councils' Pension Scheme	18,097	-18,097	-	-18,097	-
Non-Budget						
RfR 2 - L	Arts and Humanities Research Council	86,866	-86,866	-	-86,866	-
RfR 2 - M	Biotechnology and Biological Sciences Research Council	345,171	-345,171	-	-345,171	-
RfR 2 - N	Economic and Social Research Council	135,018	-135,018	-	-135,018	-
RfR 2 - O	Engineering and Physical Sciences Research Council	659,499	-659,499	-	-659,499	-
RfR 2 - P	Medical Research Council	479,574	-479,574	-	-479,574	-
RfR 2 - Q	Natural Environment Research Council	335,395	-335,395	-	-335,395	-
RfR 2 - R	Science and Technology Facilities Council	458,478	-458,478	-	-458,478	-
RfR 2 - S	Fees Payable under the Animals (Scientific Procedures) Act 1986	175	-175	-	-175	-
Total RfR 2		-3,020,377 -1,000 -3,019,377				
Total Changes to RfRs		-1,978,171 975,511 -2,953,682				

		£000		
Capital and Cash	Present Provision	Change in Provision	New Provision	
Total Capital Expenditure	10,072,856	594,659	10,667,515	
Non-Operating A in A	9,954,845	-166	9,954,679	
Net cash requirement	7,647,802	-2,367,347	5,280,455	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Increasing UK competitiveness								
340,643	1,070,281	5,681,153	7,092,077	3,376,616	3,715,461	10,667,515	9,954,679	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Knowledge Transfer and Innovation								
		11,206	11,206	-	11,206	-	-	
B Extending Competitive Markets								
-	126,280	41,108	167,388	95,486	71,902	-	-	
C Security of Energy Supply								
-	5,438	1,109	6,547	10,820	-4,273	-	-	
D Sustainability and the Environment								
-	11,719	69,800	81,519	-	81,519	-	-	
E Enterprise Growth and Business Investment								
-	72,692	54,748	127,440	8,950	118,490	61,000	-	
F Regional Economies								
-	950	28,233	29,183	1,743,697	-1,714,514	-	-	
G Trade and Investment								
33,928	-	-	33,928	412	33,516	-	-	
H Maximising Potential in the Workplace								
-	54,895	80	54,975	203	54,772	1,035	-	
I Corporate Activity and Insolvency Framework								
22,011	179,656	1,631	203,298	133,891	69,407	100	385	
J Assets and Liabilities								
4,933	457,387	24,908	487,228	1,377,850	-890,622	-	-	
K Nuclear Security and Export Control								
-	191	55,200	55,391	-	55,391	-	-	
L Activities in Support of all Objectives								
279,771	35,252	5,211	320,234	5,302	314,932	5,380	4,291	
<i>Support for Local Authorities</i>								
M Knowledge Transfer and Innovation								
-	-	-	-	-	-	-	-	
N Grants to London Development Agency								
-	-	391,184	391,184	-	391,184	-	-	
Spending in Annually Managed Expenditure(AME)								
<i>Central Government spending</i>								
O Maximising Potential in the Workplace								
-	-	35,000	35,000	-	35,000	-	-	
P Assets and Liabilities								
-	125,821	14,633	140,454	5	140,449	10,600,000	9,950,000	
<i>Activities in Support of all Objectives</i>								

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
Support for Local Authorities								
Q	Regional Economies							
-	-	2,567	2,567	-	2,567	-	-	
Non-Budget								
R	Extending Competitive Markets							
-	-	38,311	38,311	-	38,311	-	-	
S	Security of Energy Supply							
-	-	10,700	10,700	-	10,700	-	-	
T	Enterprise Growth and Business Investment							
-	-	-	-	-	-	-	-	
U	Regional Economies							
-	-	1,799,482	1,799,482	-	1,799,482	-	-	
V	Corporate Activity and Insolvency Framework							
-	-	2,010	2,010	-	2,010	-	-	
W	Assets and Liabilities							
-	-	3,091,032	3,091,032	-	3,091,032	-	3	
X	Nuclear Security and Export Council							
-	-	3,000	3,000	-	3,000	-	-	
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society								
-	-	-	-	-	-	-	-	
Spending in Departmental Expenditure Limits (DEL)								
Central Government spending								
A	The Royal Society							
-	-	-	-	-	-	-	-	
B	Royal Academy of Engineering							
-	-	-	-	-	-	-	-	
C	British Academy							
-	-	-	-	-	-	-	-	
D	OSI Initiatives							
-	-	-	-	-	-	-	-	
E	Science and Society							
-	-	-	-	-	-	-	-	
F	Knowledge Transfer							
-	-	-	-	-	-	-	-	
G	Science Research Investment Fund							
-	-	-	-	-	-	-	-	
H	Science and Engineering Base Administration Costs							
-	-	-	-	-	-	-	-	
I	Transdepartmental Science and Technology Group administration Costs							
-	-	-	-	-	-	-	-	
J	Biotechnology and Biological Sciences Research Council							
-	-	-	-	-	-	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
<i>Cambridge/Massachusetts Institute of Technology</i>								
-	-	-	-	-	-	-	-	-
<i>Foresight LINK Awards</i>								
-	-	-	-	-	-	-	-	-
<i>Joint Infrastructure Fund</i>								
-	-	-	-	-	-	-	-	-
Spending in Annually Managed Expenditure (AME)								
Central Government spending								
K Research Councils' Pension Scheme								
-	-	-	-	-	-	-	-	-
Non-Budget								
L Arts and Humanities Research Council								
-	-	-	-	-	-	-	-	-
M Biotechnology and Biological Sciences Research Council								
-	-	-	-	-	-	-	-	-
N Economic and Social Research Council								
-	-	-	-	-	-	-	-	-
O Engineering and Physical Sciences Research Council								
-	-	-	-	-	-	-	-	-
P Medical Research Council								
-	-	-	-	-	-	-	-	-
Q Natural Environment Research Council								
-	-	-	-	-	-	-	-	-
R Science and Technology Facilities Council								
-	-	-	-	-	-	-	-	-
S Fees Payable under the Animals (Scientific Procedures) Act 1986								
-	-	-	-	-	-	-	-	-
<i>Particle Physics and Astronomy Research Council</i>								
-	-	-	-	-	-	-	-	-
<i>Council for the Central Laboratory of the Research Councils</i>								
-	-	-	-	-	-	-	-	-
<i>Council for the Central Laboratory of the Research Councils - Diamond Synchrotron</i>								
-	-	-	-	-	-	-	-	-
Total for Estimate:								
340,643	1,070,281	5,681,153	7,092,077	3,376,616	3,715,461	10,667,515	9,954,679	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	6,669,143	-2,953,682	3,715,461
Voted capital items			
Capital	10,072,856	594,659	10,667,515
<i>Less: Non-operating A in A</i>	<i>9,954,845</i>	<i>-166</i>	<i>9,954,679</i>
Total net voted capital	118,011	594,825	712,836
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-87,486	-86,028	-173,514
Depreciation	-41,445	3,170	-38,275
New provisions and adjustments to previous provisions	-90,142	14,600	-75,542
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-305	-	-305
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-6,000	-	-6,000
Increase(-)/decrease (+) in creditors	-	10,288	10,288
Use of provisions	1,086,026	49,480	1,135,506
Total accruals to cash adjustments	860,648	-8,490	852,158
Excess cash to be CFERd	-	-	-
Net Cash Requirement	7,647,802	-2,367,347	5,280,455

Part III: Extra receipts payable to the Consolidated Fund

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

	Present provision		New provision	
	Income	Receipts	Income	Receipts
Operating income not classified as A in A	14,175	<i>14,175</i>	2,186	<i>2,186</i>
Non-operating income not classified as A in A	484,300	<i>484,300</i>	577,300	<i>577,300</i>
Other amounts collectable on behalf of the Consolidated Fund	77,782	<i>77,782</i>	77,782	<i>77,782</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	576,257	576,257	657,268	657,268

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	326,709
RfR2	-
Total Net Administration Costs	326,709
Net Programme Costs	
RfR1	3,386,566
RfR2	-
Non-voted	258,809
Total Net Programme costs	3,645,375
Total Net Operating Cost	3,972,084
<i>of which:</i>	
Net Resource Requirement	3,715,461
Non-voted expenditure	258,809
Consolidated Fund Extra Receipts	-2,186
Resource Budget	1,883,100

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	3,715,461
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	258,809
Consolidated Fund extra receipts in the OCS	-2,186
Other adjustments	-
Net Operating Costs (Accounts)	3,972,084
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-306,003
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-4,200
resource consumption of non departmental public bodies	-1,778,781
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	1,883,100
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2,229,140
Annually Managed Expenditure (AME)	-346,040

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	712,836
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-577,300
capital spending by non departmental public bodies	938,866
capital grants	306,003
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	18,269
Other adjustments	3
Capital Budget (Budget)	1,398,677
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,167,677
Annually Managed Expenditure (AME)	231,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

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

Sir Brian Bender as the Accounting Officer of the Department for Business , Enterprise and Regulatory Reform has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Business, Enterprise and Regulatory Reform

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

RfR 1: Increasing UK competitiveness

Administration	13,934
<i>of which:</i>	
Sale of goods and services	13,934
Programme	3,362,682
<i>of which:</i>	
Sale of goods and services	1,473,893
Regulatory Licences, fines, penalties and taxes	88,058
EU Income	-
Other grant income (including repayments of grants/subsidies)	1,800,731
Interest and Dividends	2,186
CFERS	-2,186

Total RfR1	3,376,616 †
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Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income from the European Union/ECSC and income relating to Regional Selective Assistance, flexible business support measures, the Small Business Service, Business Link Operators, Small Firms Loan Guarantee and other small firms support schemes, trade policy, e-commerce, energy and coal, sectoral support, receipts from the Department for Communities and Local Government, Department of Environment, Food and Rural Affairs, the Department for Innovation, Universities and Skills, the Department for Culture, Media and Sport and UK Trade & Investment in relation to Regional Development Agencies and the London Development Agency, the exchange risk guarantee scheme, national selective assistance to industry, the Office of Civil Nuclear Security, fees to advisers on privatisation and BNFL, and expenditure in the following areas: telecommunications, including licence fees, posts, civil aircraft research and demonstration,

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

Total Operating A in A	3,376,616
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Analysis of non - operating appropriations in aid (A in A)**RfR 1: Increasing UK competitiveness**

Programme	9,954,679
<i>of which:</i>	
Sale of assets	4,291
Loans, etc, repayments	10,527,688
CFERs	-577,300

Total RfR1	9,954,679 †
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† Amount that may be applied as non-operating appropriations in aid arising from: recovery of income from the sales of fixed assets and from sale of land by the Department and its executive agencies, repayment of loans.

Total Non-Operating A in A	9,954,679
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2007-08 provision	
		Income	Receipts
Distribution of surpluses from coal industry pension scheme	Δ	286,000	286,000
Release from Coal pensions Fund Investment Reserve	Δ	133,000	133,000
OFCOM	Φ	555	555
OFCOM	●	57,297	57,297
Companies House receipts from late filing penalties	●	12,000	12,000
Receipts of the Coal Authority	●	4,200	4,200
Privatisation of the coal industry, including property clawback receipts	Δ	4,200	4,200
Receipt of Dividend from the Companies House Executive Agency trading fund	Φ	1,582	1,582
Non- nuclear energy miscellaneous receipts	●	85	85
Interest on loans advanced by the S of S to the Companies House Executive Agency trading fund	Φ	49	49
Levies on sale of aero engines and airframes	Φ	158,300	158,300
Total		657,268	657,268

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-1,243,051	-2,519,614	-645,427	2,874,567	2,229,140
<i>of which:</i>					
Administration budget †	9,740	-	326,709	-	326,709
Near-cash in RDEL	-1,233,909	-2,383,626	-798,609	2,930,512	2,131,903
Capital DEL ††	-376,226	390,747	-698,824	1,866,501	1,167,677
Less Depreciation †††	3,170	55,115	-38,275	-9,129	-47,404
Total DEL	-1,616,107	-2,073,752	-1,382,526	4,731,939	3,349,413

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	13,331,295

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1- H	Advisory, Conciliation and Arbitration Service ♥	40,037
RfR1- B	The National Association of Citizen's Advice Bureaux ♥	23,855
RfR1- B	Citizen's Advice Scotland ♥	3,240
RfR1- R	The National Consumer Council ♥	3,271
RfR1- S	Energy Watch ♥	10,700
RfR1- R	Postwatch ♥	9,170
RfR1- R	The Competition Commission and the Competition Service♥	25,070
RfR1- W	The Coal Authority ♥	27,700
RfR1- V	Local Better Regulation Office ♥	2,010
RfR1- U	The Regional Development Agencies ♥	1,799,482
RfR1- W	The United Kingdom Atomic Energy Authority ♥	10,237
RfR1- W	The Nuclear Decommissioning Authority ♥	3,053,095
RfR1- X	The Civil Nuclear Police Authority ♥	3,000
	Total	5,010,867

International Subscriptions

RfR/Section	Body	£ '000
RfR1		
	World Trade Organisation	4,198
	International Telecommunications Union	1,888
	Universal Postal Union	477
	International Atomic Energy Authority	13,198
	Organisation for the Prohibition of Chemical Weapons	4,332

Office of Gas and Electricity Markets

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry			
<u>Sectic Reason for change</u>			
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
A	Virement of provision from Other Current to Administration within RfR1, section A to reflect reclassification of non-cash expenditure from programme to administration costs	210,000	-210,000
<u>Token increases</u>			
A	A token increase in administration costs to cover an increase in gross spending of £355,000 offset by a matching increase of £354,000 in Appropriations-in-Aid.	1,000	
		<u>Total</u>	
Total change in resources for RfR1		211,000	-210,000
			1,000
Total change in resources for Estimate			1,000

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

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

Office of Gas and Electricity Markets

Part I

£

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry

1,000

Total additional net resource requirement

1,000

Additional net cash requirement

1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Office of Gas and Electricity Markets on:

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry

Administrative and operational costs, payments to DBERR, co-operation with international regulators and associated non-cash items.

RfR 2: Expenditure in connection with environmental programmes

Administration of energy efficiency and other environmental schemes and associated non-cash items.

The **Office of Gas and Electricity Markets** will account for this Estimate.

Part II: Changes proposed

Resources		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1 - A	Gas and Electricity Markets Authority: Administration	1	355	354	1	2
Total RfR 1			355	354	1	
Total Changes to RfRs			355	354	1	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	1,000	-	1,000
Non-Operating A in A	50	-	50
Net cash requirement	1,847	1	1,848

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry							
37,385	-	-	37,385	37,383	2	1,000	50
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Gas and Electricity Markets Authority: Administration							
37,385	-	-	37,385	37,383	2	1,000	50
RfR 2: Expenditure in connection with environmental programmes							
2,800	-	-	2,800	2,100	700	-	-
Spending in Departmental Expenditure Limits							
<i>Central Government spending</i>							
A Climate Change Levy and Renewable Energy Guarantees of Origin: Administration							
700	-	-	700	-	700	-	-
B Energy Efficiency and other Environmental Schemes: Administration							
2,100	-	-	2,100	2,100	-	-	-
Total for Estimate:							
40,185	-	-	40,185	39,483	702	1,000	50

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>Revised</u>
			£'000
Net Resource Requirement	701	1	702
Voted capital items			
Capital	1,000	-	1,000
<i>Less:</i> Non-operating A in A	<u>50</u>	<u>-</u>	<u>50</u>
Total net voted capital	950	-	950
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	255	-	255
Depreciation	-1,000	-	-1,000
New provisions and adjustments to previous provisions	-5	-	-5
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-45	-	-45
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>991</u>	<u>-</u>	<u>991</u>
Total accruals to cash adjustments	196	-	196
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,847	1	1,848

Part III: Extra receipts payable to the Consolidated Fund

' As in existing provision'

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	2
RfR2	700
Total Net Administration costs	702
Net Programme Costs	
RfR1	-
RfR2	-
Total Net Programme costs	-
Total Net Operating Cost	702
<i>of which:</i>	
Net Resource Requirement	702
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	702

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08
	Provision
Net Resource Requirement (Estimates)	702
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	702
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	702
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	702
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08
	Provision
Net Voted Capital (Estimates)	950
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	950
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	950
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Alistair Buchanan, Chief Executive of OFGEM

Request for Resources 2 Alistair Buchanan, Chief Executive of OFGEM

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry

Administration	37,383
<i>of which:</i>	
Sale of goods and services	96
Regulatory licences, fines, penalties and taxes	37,287

Total RfR1	37,383 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: regulation of monopolies and promoting competition. Includes gas and electricity licence fees; recovery of costs for administering the Fossil Fuel Levy; income from fees and charges levied under the the Gas Act 1986 and the Electricity Act 1989, as amended by the Utilities Act 2000; receipts in respect of letting, disposal, vacation or occupation of property or accommodation; income from services to other government organisations and any other cost recovery receipts.

RfR 2: Expenditure in connection with environmental programmes

Administration	2,100
<i>of which:</i>	
Regulatory licences, fines, penalties and taxes	2,100

Total RfR2	2,100 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: regulatory fees, licences, and penalties relating to energy efficiency and other environmental schemes.

Total Operating A in A	39,483
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Analysis of non - operating appropriations in aid (A in A)

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry

Programme	50
<i>of which:</i>	
Sale of assets	50

Total RfR1	50 †
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† Amount that may be applied as non-operating appropriations-in-aid arising from : the sale of capital assets.

Total Non- Operating A in A	50
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1	-	702	-	702
<i>of which:</i>					
Administration budget †	211	-	702	-	702
Near-cash in RDEL	1	-	-93	991	898
Capital DEL ††	-	-	950	-	950
Less Depreciation †††	-	-	-1,000	-	-1,000
Total DEL	1	-	652	-	652

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

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

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

Cash which may be retained to offset expenditure

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

£'000

39,533

Postal Services Commission

Introduction

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

	Amount (£)	
<u>Changes in resources</u>	<u>Increases</u>	<u>Reductions</u>
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	-	-

2. As a result of a forecast decrease in end-year creditors which is higher than the original forecast in the Main Estimate, there is an increase in the net cash requirement of £1,517,000

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

Postal Services Commission

Part I

	£
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	-
Total additional net resource requirement	-
Additional net cash requirement	1,517,000

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

RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition

Administrative and operational costs and associated non-cash items

The **Postal Services Commission** will account for this Estimate.

Part II: Changes proposed

Resources		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting						
Spending in Departmental Expenditure Limits (DEL)						
RfR 1 - A	Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	1	-	-	-	1
Total RfR 1		-	-	-	-	
Total Changes to RfRs		-	-	-	-	

Capital and Cash	Present Provision	Change in Provision	£000 New Provision
Total Capital Expenditure	460	-	460
Non-Operating A in A	-	-	-
Net cash requirement	1	1,517	1,518

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RFR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and							
9,968	-	-	9,968	9,967	1	460	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Ensuring the provision of a universal postal service at a uniform tariff protecting consumers and promoting competition							
9,968	-	-	9,968	9,967	1	460	-
Total for Estimate:							
9,968	-	-	9,968	9,967	1	460	-

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>Revised</u>
			£'000
Net Resource Requirement	1	-	1
Voted capital items			
Capital	460	-	460
<i>Less:</i> Non-operating A in A	<u>-</u>	<u>-</u>	<u>-</u>
Total net voted capital	460	-	460
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-15	-	-15
Depreciation	-772	-	-772
New provisions and adjustments to previous provisions	-40	-	-40
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-40	-	-40
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	407	1,517	1,924
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
Total accruals to cash adjustments	-460	1,517	1,057
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1	1,517	1,518

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision'

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RFR1	1
Total Net Administration Costs	1
Total Net Operating Cost	1
<i>of which:</i>	
Net Resource Requirement	1
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	1

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	460
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	460
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	460
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Sarah Chambers, Chief Executive of the Commission

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	<u>2007-08 Provision</u>
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	
Administration	9,967
<i>of which:</i>	
Regulatory licences, fines , penalties and taxes	9,967
Total RfR1	9,967 †
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from postal operators.</i>	
Total Operating A in A	9,967

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-	-	1	-	1
<i>of which:</i>					
Administration budget*	-	-	1	-	1
Near-cash in RDEL	-	-	-866	-	-866
Capital**	-	-	460	-	460
Less Depreciation†	-	-	-772	-	-772
Total	-	-	-311	-	-311

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	9,967

Department for Environment, Food and Rural Affairs

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
B3	To increase capital grants from draw down of EYF for Invest to Save Budget projects	6,000	
<u>DEL Reserve claims</u>			
E1	To increase near- cash administration resources for Departmental Operations to meet pressures on the department's administration budget.	11,000,000	
E1	To increase non-cash administration resources for Departmental Operations to meet pressures on the department's administration budget.	11,000,000	
<u>Transfers to/from Central Funds</u>			
D2	To increase near-cash other current resource for Natural Resources and Rural Affairs through take up of funds for 'Start Here' project from HM Treasury.	250,000	
B2	To increase near cash other current and administration resources for Environment through take up of funds for Energy Efficiency Programme from HM Treasury.	86,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
E1	Increase in near-cash administration costs for legal services provided by the Parliamentary Counsel's Office funded in budgetary terms by a transfer from the Cabinet Office.	359,000	
D2	Reduction in near- cash programme resource for Natural Resources and Rural Affairs to fund budgetary transfer to the Forestry Commission for Farm Woodland Schemes.		-7,880,000
B2	Reduction in near-cash programme resource for Environment to fund budgetary transfer to the Forestry Commission for Farm Woodland Schemes.		-114,000
C1	Reduction in near- cash administration resource for Sustainable Farming, Food and Fisheries to fund budgetary transfer to the Department for Communities and Local Government for Government Office funding.		-4,039,000

B2	Reduction in near- cash programme resource from Environment to fund budgetary transfer to the Ministry of Defence for meteorological services.		-4,863,000
B2	Increase in near- cash programme resource for contributions to the Montreal Protocol Fund funded in budgetary terms by a transfer from the Department for International Development.	5,605,000	
B2	Reduction in near- cash programme resource from Environment to fund budgetary transfer to the Department for Innovation, Universities and Skills for the BREW programme.		-26,800,000
<u>Other changes in DEL spending</u>			
B2	Increase in near-cash programme resource - agreed correction to published Resource DEL	2,602,000	
A1/A2	Reclassification of professional services expenditure from programme costs to administration costs within Animal Health and Welfare	27,900,000	-27,900,000
B1/ B2	Reclassification of professional services expenditure from programme costs to administration costs within Environment	40,900,000	-40,900,000
C1/C2	Reclassification of professional services expenditure from programme costs to administration costs within Sustainable Farming and Food and Fisheries	1,500,000	-1,500,000
D1/D2	Reclassification of professional services expenditure from programme costs to administration costs within Natural Resources and Rural Affairs	8,000,000	-8,000,000
E1/E2	Reclassification of professional services expenditure from programme costs to administration costs within Departmental Operations	1,700,000	-1,700,000
E1/E2	Reclassification of IT contract expenditure from programme costs to administration costs within Departmental Operations	10,000,000	-10,000,000
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
A2	Decrease in resources for Animal Health and Welfare		-39,795,000
B2	Decrease in resources for Environment		-47,043,000
C2	Increase in resources for Sustainable Farming, Food and Fisheries	40,000	
D2	Decrease in resources for Natural Resources and Rural Affairs		-50,000
E2	Decrease in resources for Departmental Operations		-223,000
F2	Increase in resources for Rural Payments Agency EC funded	85,000	
G2	Increase in resources for Rural Payments Agency running costs	85,031,000	
I2	Increase in resources for Other Executive Agencies	1,955,000	
B3	Local Area Agreements grants transferred from Section B to new Section S		-54,997,000
S3	Local Area Agreements grants included in new Section S	54,997,000	
B2	Local Area Agreements other current transferred from Section B to new Section S		-57,794,000
S2	Local Area Agreements other current included in new Section S	57,794,000	
D2	Local Area Agreements other current transferred from Section D to new Section S		-5,830,000

S2	Local Area Agreements grants included in new Section S	5,830,000	
	<u>Transfers to/from non-voted spending</u>		
B2	Transfer of Environment programme costs to Environment Agency		-692,000
D2	Transfer of Natural Resources and Rural Affairs programme costs to Environment Agency		-460,000
B2	Transfer of Environment programme costs to Natural England		-315,000
D2	Transfer of Natural Resources and Rural Affairs programme costs to Natural England		-288,000
E2	Transfer to Departmental Operations programme costs from Natural England	50,000	
I2	Transfer of non voted non-cash resources from Environment Agency to Other Executive Agencies	24,492,000	
	<u>Changes in non-budget spending</u>		
M3	Increase in grant-in-aid for Environment Agency	1,152,000	
O3	Increase in grant-in-aid for Natural England	553,000	
	<u>Changes in operating appropriations-in-aid (fully offset by changes in</u>		
A2/A5	Increase in other current resources in Animal Health and Welfare offset by increase in operating appropriations-in-aid.	734,000	-734,000
B1/B5	Increase in administration resources in Environment offset by increase in operating appropriations-in-aid.	281,000	-281,000
B2/B5	Increase in other current resources in Environment offset by increase in operating appropriations-in-aid	254,000	-254,000
C1/C5	Increase in administration resources in Sustainable Farming and Food and Fisheries offset by increase in operating appropriations-in-aid	50,000	-50,000
C2/C5	Increase in other current resources in Sustainable Farming and Food and Fisheries offset by increase in operating appropriations-in-aid	2,019,000	-2,019,000
D2/D5	Increase in other current resources in Natural Resources and Rural Affairs offset by increase in operating appropriations-in-aid	50,000	-50,000
G2/G5	Increase in other current resources in Rural Payments Agency running costs offset by increase in operating appropriations-in-aid	300,000	-300,000
		<u>Total</u>	<u>-344,871,000.</u>
	Total change in resources for RfR1		11,704,000
	Total change in resources for Estimate		11,704,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of End Year Flexibility</u>			
E7	To increase capital from draw down of EYF for Invest to Save Budget projects	142,000	
<u>Other changes in DEL spending</u>			
E7	Reduction in capital to reflect adjustment to Capital DEL relating to 2006/07 overspend		-17,395,000
		<u>Total</u>	<u>142,000</u>
Total change in capital for Estimate			-17,253,000

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

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

Department for Environment, Food and Rural Affairs

Part I

£

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.	11,704,000
Total additional net resource requirement	11,704,000
Additional net cash requirement	1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for Environment, Food and Rural Affairs on:

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.

Environmental protection; support for measures which improve local environmental quality; pollution emergency response services; flood and coastal protection and land drainage; water partnership supply and sewerage services, including national security; to increase UK's environment decontamination capabilities involving chemical, biological or radiological materials;

support to the environmental protection industry for environmental technology and for measures to promote sustainable development; measures to reduce carbon dioxide emissions and improve energy efficiency, security and environmental practice, botanical services; radon measurement and support of remedial works campaigns; support for agriculture in special areas; food safety and hygiene; support for rural and regional development; assistance to production; marketing and processing in the agriculture, fisheries and food industries; assistance to the residual Milk Marketing Board;

cover for payment arising out of the Factortame group of claims following the House of Lords judgement in October 1999; emergency and strategic food services; plant health; support for the fishing industry; compensation payments to producers; grants and other financial support to voluntary bodies; support for measures to stimulate sustainable consumption of goods and services; countryside management and stewardship; conservation; national parks grants; support of countryside and wildlife initiatives; animal health and welfare; emergency measures, including foot and mouth eradication and compensation schemes; other services including emergency measures in relation to BSE; grant-in-aid to Non-Departmental Public Bodies and subsidy to Public Corporations; subscriptions and contributions to international organisations; surveys, monitoring, statistics, advice and consultancies; publicity, promotion, awareness and publications; commissioned and departmental research and development; specialist support services, EU receipts; giving effect in the United Kingdom to the agricultural support provisions of the Common Agricultural Policy and England Rural Development Plan of the European Union including compensation payments to producers and support for agriculture in special areas; management of inland waterways by British Waterways Board; consumer representation and other functions under the Water Act 2003 and associated non-cash costs.

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

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Animal Health and Welfare	301,914	-39,061	734	-39,795	262,119
RfR 1 - B Environment	1,104,082	-183,784	535	-184,319	919,763
RfR 1 - C Sustainable Farming Food and Fisheries	88,313	-1,930	2,069	-3,999	84,314
RfR 1 - D Natural Resources and Rural Affairs	343,119	-14,208	50	-14,258	328,861
RfR 1 - E Departmental Operations	228,579	22,186	-	22,186	250,765
RfR 1 - F Rural Payments Agency EC Funded	2,297,122	85	-	85	2,297,207
RfR 1 - G Rural Payments Agency running costs	157,882	108,457	300	108,157	266,039
RfR 1 - H Rural Payments Agency other	82,400	-	-	-	82,400
RfR 1 - I Other Executive Agencies	136,249	3,321	-	3,321	139,570
<i>Support for Local Authorities</i>					
RfR 1 - J Environment	144,537	-	-	-	144,537
RfR 1 - K Rural Payments Agency EC Funded	4,992	-	-	-	4,992
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 1 - L Environment	55,600	-	-	-	55,600
Non - Budget					
RfR 1 - M Environment	692,778	1,152	-	1,152	693,930
RfR 1 - N Sustainable Farming Food and Fisheries	9,391	-	-	-	9,391
RfR 1 - O Natural Resources and Rural Affairs	199,654	553	-	553	200,207
RfR 1 - P Departmental Operations	24,899	-	-	-	24,899
RfR 1 - Q Rural Payments Agency EC Funded	-	-	-	-	-
RfR 1 - R Other Executive Agencies	-	-	-	-	-

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 1 - S	Local Area Agreements	-	118,621	-	118,621	118,621
Total RfR 1			15,392	3,688	11,704	
Total Changes to RfRs			15,392	3,688	11,704	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	116,376	-17,253	99,123
Non-Operating A in A	2,021	-	2,021
Net cash requirement	5,862,116	1	5,862,117

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
<p>RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.</p>							
621,223	4,783,374	1,785,033	7,189,630	1,306,415	5,883,215	99,123	2,021
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Animal Health and Welfare							
50,913	177,829	34,136	262,878	759	262,119	-	-
B Environment							
78,262	376,195	468,941	923,398	3,635	919,763	2,048	-
C Sustainable Farming Food and Fisheries							
30,825	57,880	4,066	92,771	8,457	84,314	-	-
D Natural Resources and Rural Affairs							
36,732	212,532	83,644	332,908	4,047	328,861	-	-
E Departmental Operations							
233,068	47,241	5,220	285,529	34,764	250,765	61,755	2,021
F Rural Payments Agency EC Funded							
-	2,296,734	473	2,297,207	-	2,297,207	-	-
G Rural Payments Agency running costs							
-	269,557	-	269,557	3,518	266,039	5,120	-
H Rural Payments Agency other							
-	82,400	-	82,400	-	82,400	-	-
I Other Executive Agencies							
191,423	138,320	-	329,743	190,173	139,570	30,200	-
<i>Support for Local Authorities</i>							
J Environment							
-	-	144,537	144,537	-	144,537	-	-
K Rural Payments Agency EC Funded							
-	-	4,992	4,992	-	4,992	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
L Environment							
-	-	55,600	55,600	-	55,600	-	-

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000	
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
Non - Budget								
M Environment	-	-	693,930	693,930	-	693,930	-	-
N Sustainable Farming Food and Fisheries	-	-	9,391	9,391	-	9,391	-	-
O Natural Resources and Rural Affairs	-	-	200,207	200,207	-	200,207	-	-
P Departmental Operations	-	-	24,899	24,899	-	24,899	-	-
Q Rural Payments Agency EC Funded	-	1,023,062	1,023,062	1,023,062	-	-	-	-
R Other Executive Agencies	-	38,000	-	38,000	38,000	-	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
S Local Area Agreements	-	63,624	54,997	118,621	-	118,621	-	-
Total for Estimate:								
621,223	4,783,374	1,785,033	7,189,630	1,306,415	5,883,215	99,123	2,021	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	5,871,511	11,704	5,883,215
Voted capital items			
Capital	116,376	-17,253	99,123
<i>Less:</i> Non-operating A in A	<u>2,021</u>	<u>-</u>	<u>2,021</u>
Total net voted capital	114,355	-17,253	97,102
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-25,379	-3,800	-29,179
Depreciation	-42,771	-20,692	-63,463
New provisions and adjustments to previous provisions	-123,000	-11,000	-134,000
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>67,400</u>	<u>-</u>	<u>67,400</u>
Total accruals to cash adjustments	-123,750	-35,492	-159,242
Excess cash to be CFERd	-	41,042	41,042
Net Cash Requirement	5,862,116	1	5,862,117

Part III: Extra receipts payable to the Consolidated Fund

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

	<u>Present provision</u>		<u>New provision</u>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	2,322,319	<i>4,803,270</i>	2,322,319	<i>4,803,270</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	<i>41,042</i>
Total	<u>2,322,319</u>	<u><i>4,803,270</i></u>	<u>2,322,319</u>	<u><i>4,844,312</i></u>

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	393,944
Total Net Administration Costs	393,944
Net Programme Costs	
RfR1	3,166,952
Total Net Programme costs	3,166,952
Total Net Operating Cost	3,560,896
<i>of which:</i>	
Net Resource Requirement	5,883,215
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-2,322,319
Resource Budget	3,041,277

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	5,883,215
<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	-2,322,319
Other adjustments	-
Net Operating Costs (Accounts)	3,560,896
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-495,796
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	22,205
resource consumption of non departmental public bodies	8,969
unallocated resource provision	-
Other adjustments	-54,997
Resource Budget (Budget)	3,041,277
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2,928,970
Annually Managed Expenditure (AME)	112,307

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	97,102
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	240,943
capital grants	495,796
European Union income related to capital grants	-
supported capital expenditure (revenue)	67
capital spending by levy funded bodies	846
unallocated capital provision	-
Other adjustments	54,997
Capital Budget (Budget)	889,751
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	888,905
Annually Managed Expenditure (AME)	846

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Helen Ghosh, Accounting Officer and Permanent Head of Department

Helen Ghosh as the Accounting Officer of the Department for Environment, Food and Rural Affairs has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Environment, Food and Rural Affairs.

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.	
Administration	227,279
<i>of which:</i>	
Sale of goods and services	227,279
Programme	1,079,136
<i>of which:</i>	
Sale of goods and services	14,668
Regulatory licences, fines, penalties and taxes	22,205
EU income	3,362,566
Interest and Dividends	2,000
CFERs	-2,322,319
Other income (including receipts)	16
Total RfR1	1,306,415 †
<i>† Amount that may be applied as appropriation in aid in addition to the net total, arising from: eligible expenditure on farm grants, monitoring of Arable Area Payments Scheme, the UK Register of Organic Food Standards, decommissioning of fishing vessel, EC Leader Programme and Sector Challenge Grants. Receipts resulting from projects under the Wider Markets Initiative. Receipts from sale of carcasses and vaccines relating to Brucellosis and Tuberculosis eradication. Receipts from fees and charges on Local Veterinary Inspectors work; public enquiries on salmon, whaling and inland fisheries, certification testing, National List and plant breeders' rights, commissioned surveys, studies and advice. Repayments of ATB Landbase redundancy fund and loans, SFIA loan capital and refund of SFIA grants. Rental income from ATB Landbase and from land managed by the Minister. Receipts in respect of the tide gauge network; work carried out by the Veterinary Laboratories Agency and NIAB Redundancy Fund. Recovery of shellfish enquiry expenses.</i>	
<i>Income from the provision of services to internal and external customers, including the secondment of staff and services to IBEA. Statutory receipts. Receipts from the sale or use of rights and assets. Rents from property. Receipts from the sale of information, including publications. Income from levies, licensing approvals, certification, inspections, registrations, supervision and extensification, Reimbursement of Defra expenditure, including EC receipts. Income from legal claims. Insurance recoveries. Other receipts and credit. Receipts in respect of environment protection and research (ex-DETR). Recovery of income from transfers, bulletins and for receipts for CAP market support and from European Community Institutions.</i>	
Total Operating A in A	1,306,415

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

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.	
Programme	2,021
<i>of which:</i>	
Sale of assets	2,021
Total RfR1	2,021 †
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: recovery of income from the sale of surplus land and buildings.</i>	
Total Non - operating A in A	2,021

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2007-08 provision	
	Income	Receipts
Rural Payments Agency EU Income ^Φ	2,300,114	4,781,065
Rural Payments Agency Sugar Levies Income [●]	22,205	22,205
Excess Cash surrendered [●]		41,042
Total	2,322,319	4,844,312

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	9,993	15,033	4,326,895	-1,397,925	2,928,970
<i>of which:</i>					
Administration budget †	108,420	-	393,944	-	393,944
Near-cash in RDEL	-25,499	1,705	4,155,853	-1,570,927	2,584,926
Capital DEL ††	-17,247	-	669,395	219,510	888,905
Less Depreciation †††	-20,692	24,492	-63,463	-137,819	-201,282
Total	-27,946	39,525	4,932,827	-1,316,234	3,616,593

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	1,267,394

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

RfR/Section	Body	£ '000
RfR1, A-D	Payments for Committees and Tribunals	58
RfR1,D	Funding to establish the Association of Commons Registration Officers	50

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1- O	Natural England ♥	184,222
RfR1- O	Commission for Rural Communities ♥	9,965
RfR1- M	Environment Agency ♥	688,030
RfR1- N	Food from Britain ♥	6,081
RfR1- P	Royal Botanic Gardens, Kew ♥	24,899
RfR1- O	National Forest Company ♣	4,100
RfR1- N	Gangmasters Licensing Authority ♥	3,310
RfR1- M	Consumer Council for Water ♥	5,900
RfR1- O	Joint Nature Conservation Committee ♣	1,920

Forestry Commission

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To implement the programmes of the England Forestry Strategy			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL End-Year Flexibility</u>		
A	Programme Costs To take up resource DEL end of year flexibility to cover the payment of private woodland grants and associated costs, expenditure on adjusting IT systems to meet revised EU requirements, and other non cash items. This consists of £600,000 near cash and £1,000,000 non cash.	1,600,000	
	<u>Transfers of budgetary cover from other government departments</u>		
A	Programme Costs Increase to cover the payment of Farm Woodland Schemes grants plus costs associated with the administration of the scheme funded in budgetary terms by a transfer from the Department for Environment, Food and Rural Affairs.	7,994,000	
	<u>Transfers from resource spending to capital spending (not capital grants)</u>		
A	Programme Costs Transfer from near cash resource to capital spending to cover the costs of software development previously recorded as resource but now classified as capital expenditure.		-600,000
		<u>Total</u>	
Total change in resources for RfR1		9,594,000	-600,000
			8,994,000

RfR 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL End-Year Flexibility</u>		
A	To take up resource DEL end of year flexibility to meet costs associated with efficiency initiatives including non cash items. This consists of £510,000 near cash and £1,500,000 non cash.	2,010,000	
		<u>Total</u>	
Total change in resources for RfR2		2,010,000	-1,200,000
			810,000
Total change in resources for Estimate			9,804,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Other changes**RfR 1: To implement the programmes of the England Forestry Strategy**

		<u>Transfers from resources to capital</u>	
A	Transfer from resource to capital spending to cover the costs of software development previously recorded as resource but now classified as capital expenditure.	600,000	

RfR 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally

		<u>Transfers from resources to capital</u>	
A	Transfer from resource to capital spending to cover the costs of software development previously recorded as resource but now classified as capital expenditure.	1,200,000	

<u>Total</u>	1,800,000	-
Total change in capital for Estimate	1,800,000	1,800,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £9,104,000.
3. Symbols are explained in the Introduction to this booklet.

Forestry Commission

Part I

£

RfR 1: To implement the programmes of the England Forestry Strategy	8,994,000
RfR 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally	810,000
Total additional net resource requirement	9,804,000
Additional net cash requirement	9,104,000

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

RfR 1: To implement the programmes of the England Forestry Strategy

deliver the social, environmental and economic programmes of the England Forest Strategy, connected to the distinctive needs of the Regions, through the promotion of forestry: and by managing the Commission's estate regulating planting and felling and offering incentives.

RfR 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally

provide advice and support to the UK government and to the devolved administrations in Scotland and Wales, represent the United Kingdom's forestry interests within the European Union and internationally, set standards for sustainable forest management and encourage good forestry practice, conduct forest research and protect forests from pests and disease.

The Forestry Commission will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: To implement the programmes of the England Forestry Strategy					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Forestry Commission (England)	63,158	8,994	-	8,994	72,152
Total RfR 1		8,994	-	8,994	
RfR 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 2 - A Forestry Commission (GB Core)	17,407	810	-	810	18,217
Total RfR 2		810	-	810	
Total Changes to RfRs		9,804	-	9,804	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	840	1,800	2,640
Non-Operating A in A	-	-	-
Net cash requirement	60,682	9,104	69,786

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: To implement the programmes of the England Forestry Strategy								
-	72,152	-	72,152	-	72,152	640	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Forestry Commission (England)								
-	72,152	-	72,152	-	72,152	640	-	
Non-Budget								
<i>Forestry commission (England)</i>								
-	-	-	-	-	-	-	-	
RfR 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally								
-	17,117	1,100	18,217	-	18,217	2,000	-	
Spending in Departmental Expenditure Limits								
<i>Central Government spending</i>								
A Forestry Commission (GB Core)								
-	17,117	1,100	18,217	-	18,217	2,000	-	
Total for Estimate:								
-	89,269	1,100	90,369	-	90,369	2,640	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	80,565	9,804	90,369
Voted capital items			
Capital	840	1,800	2,640
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	840	1,800	2,640
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-20,586	-1,000	-21,586
Depreciation	-1,070	-1,500	-2,570
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	324	-	324
Increase(+)/decrease (-) in debtors	1,162	-	1,162
Increase(-)/decrease (+) in creditors	-553	-	-553
Use of provisions	-	-	-
Total accruals to cash adjustments	-20,723	-2,500	-23,223
Excess cash to be CFERd	-	-	-
Net Cash Requirement	60,682	9,104	69,786

Part III: Extra receipts payable to the Consolidated Fund

' As in existing provision'

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Programme Costs	
RfR1	72,152
RfR2	18,217
Non-voted	-
Total Net Programme costs	90,369
Total Net Operating Cost	90,369
<i>of which:</i>	
Net Resource Requirement	90,369
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	93,022

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	90,369
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	90,369
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	2,653
Resource Budget (Budget)	93,022
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	93,022
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	2,640
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-700
Capital Budget (Budget)	1,940
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,940
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Paul Hill-Tout, Director England

Request for Resources 2 Tim Rollinson, Director General of the Forestry Commission

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

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

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

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	9,804	-	90,369	2,653	93,022
<i>of which:</i>					
<i>Administration budget †</i>	-	-	-	-	-
<i>Near-cash in RDEL</i>	7,304	-	66,213	2,653	68,866
Capital DEL ††	1,800	-	2,640	-700	1,940
Less Depreciation †††	-1,500	-	-2,570	-	-2,570
Total DEL	10,104	-	90,439	1,953	92,392

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

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

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

Notes to the Estimate (*continued*)

Changes to Accounting Policies

The Supplementary Estimate includes some £1,800,000 of capital expenditure to cover the development of e-business systems aimed at improving efficiency and effectiveness of delivery of services to customers. This expenditure was included under resources in the Main Estimate, but will now be capitalised in line with generally accepted accounting practice for software developments.

Department for Culture, Media and Sport

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Improving the quality of life through cultural and sporting activities			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
I1	Administration Costs (Near-Cash) - Increase in provision to meet pressures on the department's administration budget	5,000,000	
<u>Transfers to/from Central Funds</u>			
C3	Invest to Save Budget - capital grant to local authority to fund Street Cage Soccer	65,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
V3	Increase in grant-in-aid provision for the Olympic Delivery Authority to finance non-voted spending within the Capital DEL, funded in budgetary terms by a transfer from the Department for Communities and Local Government	80,451,000	
N3	Increase in grant-in-aid provision for Strategic Commissioning to finance non-voted spending within the Resource DEL, funded in budgetary terms by a transfer from the Department for Children, Schools and Families	2,000,000	
P3	Increase in grant-in-aid provision for UK Sport to finance non-voted spending within the Resource DEL, funded in budgetary terms by a transfer from the Department for International Development.	1,000,000	
N3	Increase in grant-in-aid provision for Royal Armouries to finance non-voted spending within the Resource DEL, funded in budgetary terms by a transfer from the Ministry of Defence	149,000	
I1	Increase in administration costs relating to Parliamentary Counsel funded in budgetary terms by a transfer from the Cabinet Office	316,000	
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
B3	Grant for Sporting Champions Mentoring scheme administered by Youth Music included in Arts section	333,000	

C3	Grant for Sporting Champions Mentoring scheme administered by Youth Music removed from Sport section		-333,000
R3	Increase in non-budget grants for Rural Tourism	564,000	
M3	Reduction in non-budget grants for Museums,galleries and libraries		-564,000
N3	Increase in non-budget grants to Museums, galleries and libraries	373,000	
O3	Reduction in non-budget grants for Arts		-373,000
R3	Increase in non-budget grants for Rural Tourism	87,000	
O3	Reduction in non-budget grants for Arts		-87,000
<u>Transfers to/from non-voted spending</u>			
A3	Increase in resource grants for Museums,galleries and libraries arising from a reclassification of spending from sponsored NDPBs to the department	4,652,000	
A3	Increase in capital grants for Museums,galleries and libraries arising from a reclassification of spending from sponsored NDPBs to the department	3,100,000	
A2	Transfer from non-voted Museums, galleries and libraries resources to fund IdEA and Capital of Culture	130,000	
A2	Transfer from non-voted Arts resources to fund IdEA	50,000	
A2	Transfer from non-voted Architecture and the Historic Environment resoures to fund IdEA	15,000	
A2	Transfer to non-voted Museums, galleries and libraries resources for Culture South East		-30,000
B2	Transfer from non-voted Arts resources to fund Art Co	255,000	
B3	Transfer of Invest to Save budget funds from non-voted spending to voted grants	100,000	
C3	Transfer from non-voted Sport resources to fund grant for the Northern Ireland Sports Institute	3,000,000	
C3	Transfer to non-voted Sport resources for Sport England administration of Sporting Champions Mentoring Scheme		-330,000
F2	Transfer from non-voted Arts resources to bring Royal Parks funding in line with allocation in Spending Review 2004	880,000	
H3	Increase in resource grants for Broadcasting and media arising a reclassification of spending from sponsored NDPBs to the department	2,700,000	
H3	Increase in capital grants for Broadcasting and media arising a reclassification of spending from sponsored NDPBs to the department	200,000	
I2	Transfer from non-voted Arts resources for the Participation Survey	300,000	
I2	Transfer from non-voted Museums, galleries and libraries resources for the Participation Survey	330,000	

L3	Transfer to non-voted Sport resources for Olympic projects	-200,000
L3	Transfer to non-voted Regional Cultural Consortium resources for Creative Programmers	-85,000
<u>Changes in non-budget spending</u>		
P3	Increase in grant-in-aid provision for ACE to finance the take up of non-voted Other Resource DEL end-year flexibility	5,996,000
Q3	Increase in grant-in-aid provisions for Heritage to finance the take up of non-voted Resource DEL end-year flexibility	2,000,000
N3	Increase in grant-in-aid provision for Museums to finance the take up of non-voted Capital DEL end-year flexibility	10,000,000
N3	Increase in Grant-in-Aid provision for Museums to finance the take up of non-voted Capital DEL end-year flexibility for the Darwin Centre	10,000,000
O3	Increase in grant-in-aid provision for the Arts Council to finance take up of capital departmental unallocated provision to meet Spending Review 2004 allocations	1,000,000
S3	Increase in grant-in-aid provision for the United Kingdom Film Council to finance take up of capital departmental unallocated provision as a result of previous funding agreement	1,000,000
S3	Increase in grant-in-aid provision for S4C to finance take up of capital departmental unallocated provision as a result of funding agreement	1,494,000
N3	Increase in grant-in-aid provision for the National Portrait Gallery to finance take up of capital departmental unallocated provision.	564,000
M3	Increase in grant-in-aid provision for the Regional Cultural Consortium to finance take up of resource departmental unallocated provision to meet Spending Review 2004 allocations	120,000
R3	Increase in Grant-in-Aid provision for Visit Britain to finance take up of resource departmental unallocated provision to assist Rural Tourism	99,000
O3	Increase in grant-in-aid provision for the Arts Council to finance capital budget increase.	1,340,000
N3	Reduction in grants-in-aid for Museums, galleries and libraries bodies as a consequence of a transfer to voted resources for IdEA and Capital of Culture	-130,000
N3	Reduction in grants-in-aid for Museums, galleries and libraries bodies as a consequence of reclassification of NDPB resource spending to the department	-4,652,000
N3	Reduction in grants-in-aid for Museums, galleries and libraries bodies as a consequence of reclassification of NDPB capital grants spending to the department	-3,100,000

O3	Reduction in grants-in-aid for Arts bodies as a consequence of budget transfers to voted resources to fund IdEA		-50,000
Q3	Reduction in grants-in-aid for Architecture and the Historic Environment bodies as a consequence budget transfers to voted resources to fund IdEA		-15,000
M3	Increase in grant-in-aid for Regional Cultural Consortiums to finance budget increase for Culture South East	30,000	
O3	Reduction in grants-in-aid for Arts bodies as a consequence of budget transfers to voted resources to fund Art Co		-255,000
O3	Reduction in grants-in-aid for Arts bodies as a consequence of transfer of Invest to Save Budget funds to voted grants		-100,000
P3	Reduction in grants-in-aid for Sports bodies as a consequence of a budget transfer to voted resources relating to grants to the Northern Ireland Sports Institute		-3,000,000
P3	Increase in grant-in-aid for Sport England for administration of Sporting Champions Mentoring scheme	330,000	
O3	Reduction in grants-in-aid for Arts bodies as a consequence of a budget transfer to voted resources to increase funding for the Royal Parks Agency		-880,000
S3	Reduction in grant-in-aid spending for Broadcasting and Media bodies as a consequence of reclassification of resource spending from NDPBs to		-2,700,000
S3	Reduction in grant-in-aid capital spending for Broadcasting and Media as a consequence of reclassification of capital grants		-200,000
O3	Reduction in grants-in-aid to Arts bodies as a consequence of a budget transfer to voted resources for the Participation Survey		-300,000
N3	Reduction in grants-in-aid to Museums, galleries and libraries bodies as a consequence of a budget transfer to voted resources for the Participation Survey		-330,000
P3	Increase in grant-in-aid for Sport bodies to finance budget increase for Olympic projects	200,000	
M3	Increase in grant-in-aid for Regional Cultural Consortiums to finance budget increase relating to Creative Programmers	85,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
B2/B5	Increased expenditure on Arts offset by increased receipts from PCO for silver restoration	10,000	-10,000
C2/C5	Increased expenditure on Sport offset by increased receipts from the Department for Children, Schools, and Families	50,000	-50,000
D2/D5	Increased expenditure on Architecture and the Historic Environment offset by increased receipts from insurance payout for the replacement of	2,989,000	-2,989,000

Department for Culture, Media and Sport

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F1/F5	Increased expenditure for Royal Parks Agency offset by increased receipts	9,144,000	-9,144,000
I1/I5	Increase in Administration costs offset by an increase in administration receipts following a rate rebate	72,000	-72,000
I1/I5	Increase in Administration costs offset by an increase in rental income	7,000	-7,000
I1/I5	Increase in Administration costs offset by an increase in administration receipts from the EC	5,000	-5,000
I2/ I5	Increased expenditure on research and surveys offset by increased receipts from Sport England for the Participation Survey	600,000	-600,000
I2/ I5	Increased expenditure on research and surveys offset by increased receipts from English Heritage for the Participation Survey	80,000	-80,000
		<u>Total</u>	
Total change in resources for RfR1		<u>153,185,000</u>	<u>-30,591,000.</u>
Total change in resources for Estimate			122,594,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
D7	Take up of Departmental Unallocated Provision Take up of Capital Departmental Unallocated provision for the Fusiliers Building	560,000	
<u>Other changes</u>			
<u>Transfers to/from non-voted spending</u>			
F7	Transfer of capital DEL provision to the Arts Council		-1,340,000
<u>Transfers within the Estimate</u>			
F7	Savings on capital expenditure by the Royal Parks		-40,000
D7	Increase in provision for the Fusiliers Building	40,000	
<u>Transfers from capital to capital grants</u>			
<u>Changes in non-budget spending</u>			
<u>Changes in non-operating appropriations-in-aid (fully offset by changes in spending)</u>			
		<u>Total</u>	
Total change in capital for Estimate		<u>600,000</u>	<u>-1,380,000.</u>
Total change in capital for Estimate			-780,000.

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £135,610,000
3. Symbols are explained in the Introduction to this booklet.

Department for Culture, Media and Sport

Part I

£

RfR 1: Improving the quality of life through cultural and sporting activities 122,594,000

Total additional net resource requirement 122,594,000

Additional net cash requirement 135,610,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for Culture, Media and Sport on:

RfR 1: Improving the quality of life through cultural and sporting activities

Support for national and other museums and galleries; the Government Indemnity Scheme; the British Library and other library and archive institutions and services ; to the Arts and Sports Councils and for other arts and sports bodies and schemes; the Royal Palace and Parks; historic buildings, ancient monuments and sites, certain public buildings, and national heritage and architecture, and VAT grant scheme for memorials; listed places of worship scheme; promotion of tourism; support to film bodies and projects; sponsorship of the music industry; the Welsh Fourth Channel Authority; the Office of Communications and certain broadcasting services and schemes; alcohol, gambling, film and video licensing; related research, surveys and other services; central administration costs; expenses of the National Lottery Commission; commemorative services, memorials and Royal funerals; support for the provision of humanitarian assistance to those affected by major disasters; costs to support delivery of the Olympic Games 2012; expenses of Privatising the Tote and associated non-cash items.

RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities

Payments to the British Broadcasting Corporation for broadcasting and other services and activities; and associated non-cash items

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

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000	
					New Net Provision	
RfR 1: Improving the quality of life through cultural and sporting activities						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1- A	Museums, galleries and libraries	1,081	7,917	-	7,917	8,998
RfR 1- B	Arts	2,169	698	10	688	2,857
RfR 1- C	Sport	6,207	2,449	50	2,399	8,606
RfR 1- D	Architecture and Historic Environment	8,534	2,989	2,989	-	8,534
RfR 1- F	The Royal Parks	19,112	10,024	9,144	880	19,992
RfR 1- H	Broadcasting and media	94,425	-89,917	-	-89,917	4,508
RfR 1- I	Administration, Research and other surveys	50,759	6,710	764	5,946	56,705
RfR 1- L	Olympics	3,600	-285	-	-285	3,315
Non-budget						
RfR 1-M	Regional Cultural Consortiums	1,885	235	-	235	2,120
RfR 1- N	Museums, galleries and libraries	514,713	14,310	-	14,310	529,023
RfR 1- O	Arts	416,955	6,291	-	6,291	423,246
RfR 1- P	Sport	191,340	-1,467	-	-1,467	189,873
RfR 1- Q	Architecture and Historic Environment	171,636	1,985	-	1,985	173,621
RfR 1- R	Tourism	53,500	750	-	750	54,250
RfR 1- S	Broadcasting and media	27,010	92,411	-	92,411	119,421
RfR 1- V	London 2012	175,000	80,451	-	80,451	255,451
						-
	Total RfR 1		135,551	12,957	122,594	
	Total Changes to RfRs		135,551	12,957	122,594	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	6,575	-780	5,795
Non-Operating A in A	-	-	-
Net cash requirement	4,611,882	135,610	4,747,492

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RFR 1: Improving the quality of life through cultural and sporting activities								
	56,555	48,834	1,808,467	1,913,856	33,547	1,880,309	5,795	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Museums, galleries and libraries								
	-	465	8,533	8,998	-	8,998	-	-
B Arts								
	-	1,441	1,428	2,869	12	2,857	200	-
C Sport								
	-	1,490	7,166	8,656	50	8,606	-	-
D Architecture and Historic Environment								
	-	4,197	7,326	11,523	2,989	8,534	600	-
E Listed places of worship scheme								
	-	5,250	10,000	15,250	-	15,250	-	-
F The Royal Parks								
	-	32,992	-	32,992	13,000	19,992	500	-
G Tourism								
	-	63	1,900	1,963	-	1,963	-	-
H Broadcasting and media								
	-	1,125	3,383	4,508	-	4,508	-	-
I Administration, Research and other surveys								
	56,555	1,811	-	58,366	1,661	56,705	4,495	-
J National Lottery Commission								
	-	-	-	-	14,000	-14,000	-	-
K Gambling, licensing and horseracing								
	-	-	-	-	1,835	-1,835	-	-
L Olympics								
	-	-	3,315	3,315	-	3,315	-	-
Non-budget								
M Regional Cultural Consortiums								
	-	-	2,120	2,120	-	2,120	-	-
N Museums, galleries and libraries								
	-	-	529,023	529,023	-	529,023	-	-
O Arts								
	-	-	423,246	423,246	-	423,246	-	-
P Sport								
	-	-	189,873	189,873	-	189,873	-	-
Q Architecture and Historic Environment								
	-	-	173,621	173,621	-	173,621	-	-

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000	
	1	2	3	4	5	6	7	8	
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
R	Tourism	-	-	54,250	54,250	-	54,250	-	-
S	Broadcasting and media	-	-	119,421	119,421	-	119,421	-	-
T	National Lottery Commission	-	-	14,083	14,083	-	14,083	-	-
U	Gambling, licensing and horseracing	-	-	4,328	4,328	-	4,328	-	-
V	London 2012	-	-	255,451	255,451	-	255,451	-	-
RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities									
		-	-	2,856,110	2,856,110	-	2,856,110	-	-
Non-Budget									
A	Home Broadcasting	-	-	2,856,110	2,856,110	-	2,856,110	-	-
Total for Estimate:									
	56,555	48,834	4,664,577	4,769,966	33,547	4,736,419	5,795	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	4,613,825	122,594	4,736,419
Voted capital items			
Capital	6,575	-780	5,795
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	6,575	-780	5,795
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,580	-	-2,580
Depreciation	-5,942	-	-5,942
New provisions and adjustments to previous provisions	4	-	4
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	13,796	13,796
Use of provisions	-	-	-
Total accruals to cash adjustments	-8,518	13,796	5,278
Excess cash to be CFERd	-	-	-
Net Cash Requirement	4,611,882	135,610	4,747,492

Part III: Extra receipts payable to the Consolidated Fund

' As in existing provision'

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	55,574
RfR2	-
Total Net Administration Costs	55,574
Net Programme Costs	
RfR1	1,824,735
RfR2	2,856,110
Non-voted	-2,856,300
Total Net Programme costs	1,824,545
Total Net Operating Cost	1,880,119
<i>of which:</i>	
Net Resource Requirement	4,736,419
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-2,856,300
Resource Budget	5,227,409

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	4,736,419
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-2,856,300
Other adjustments	-
Net Operating Costs (Accounts)	1,880,119
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-23,202
European Union income related to capital grants	-
voted expenditure outside the budget	-2,856,110
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,856,300
resource consumption of non departmental public bodies	2,687,165
unallocated resource provision	16,136
Other adjustments	667,001
Resource Budget (Budget)	5,227,409
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,607,408
Annually Managed Expenditure (AME)	3,620,001

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	5,795
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	553,974
capital grants	23,202
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	4,382
Other adjustments	856,000
Capital Budget (Budget)	1,443,353
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	502,353
Annually Managed Expenditure (AME)	941,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Jonathan Stephens, Permanent Head of the Department

Request for Resources 2 Jonathan Stephens, Permanent Head of the Department

Jonathan Stephens as the Accounting Officer of Department for Culture, Media and Sport has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of HM Revenue and Customs.

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Improving the quality of life through cultural and sporting activities	
Administration	981
<i>of which:</i>	
Sale of goods and services	981
Programme	32,566
<i>of which:</i>	
Sale of goods and services	29,577
Insurance Reimbursements	2,989
Total RfR1	33,547 †
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts by the Government Art Collection from the sale of prints, hire of transparencies, copyright fees, etc ; recovery of ceremonial costs; recovery of costs of repairs to listed buildings; fees and charges for licences and receipts from concessionaires and sponsors; proceeds from the sale of properties ; proceeds from the early release of office leases ; Royal Parks Agency fees and charges for licences, rents, gardening services, sports charges, unclaimed lost property ; sponsorship and receipts for private use of telephones, and proceeds from the sale of properties ; repayment of loans in connection with film development projects, fees for self help TV transmission licences, EU receipts ; receipts from the National Lottery Distribution Fund to meet the costs of its administration by the Department for Culture, Media and Sport and of the expenses of the National Lottery Commission ; receipts from the National Lottery operator's licence fees; and recoveries from the issue of licensing certificates for gaming machines and operators of gaming establishments; .</p> <p>recovery of cost and proceeds arising from the sale of the Tote; and receipts associated with the Olympic Games 2012.</p>	
Total Operating A in A	33,547

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-78,837	122,298	91,691	1,515,717	1,607,408
<i>of which: †</i>					
<i>Administration budget</i>	5,316	-	55,574	-	55,574
<i>Near-cash in RDEL</i>	-78,837	122,298	83,173	1,335,626	1,418,799
Capital DEL ††	5,685	94,831	28,997	473,356	502,353
Less Depreciation †††	-	-	-5,942	-95,788	-101,730
Total DEL	-73,152	217,129	114,746	1,893,285	2,008,031

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	33,547

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	Body	£ '000
RfR1- C3	Chess	60
RfR1- D3	Chatham Historical Dockyard Trust	300
RfR1- N3	Geffrye Museum	1,956
RfR1- N3	Horniman Museum and Gardens	4,350
RfR1- N3	Museum of Science and Industry in Manchester	4,171
RfR1- N3	Museums, Libraries and Archives Council	14,684
RfR1- O3	Arts Council of England	423,246
RfR1- S3	UK Film Council	25,110

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1- M3	Regional Cultural Consortiums♣	2,120
RfR1- N3	British Museum ♦	44,823
RfR1- N3	Natural History Museum ♥	55,165
RfR1- N3	Imperial War Museum ♦	22,177
RfR1- N3	National Gallery ♥	25,566
RfR1- N3	National Maritime Museum ♥	18,411
RfR1- N3	National Museums and Galleries on Merseyside♥	21,826
RfR1- N3	National Portrait Gallery♥	7,038
RfR1- N3	National Museum of Science and Industry♥	38,484
RfR1- N3	Tate Gallery ♥	35,929
RfR1- N3	Victoria & Albert Museum ♥	42,520
RfR1- N3	Wallace Collection ♥	4,156
RfR1- N3	Museum of Science & Industry in Manchester♣	4,171
RfR1- N3	Museum of London ♦	8,809
RfR1- N3	Sir John Soane's Museum ♥	1,072
RfR1- N3	Horniman Museum and Gardens♣	4,350
RfR1- N3	Geffrye Museum ♣	1,956
RfR1- N3	Royal Armouries ♥	8,461
RfR1- N3	British Library ♥	104,411
RfR1- N3	Public Lending Right ♥	7,682
RfR1- N3	Museums, Libraries and Archives Council (MLA)♣	14,684
RfR1- O3	Arts Council ♥	423,246
RfR1- P3	Sport England ♥	113,296
RfR1- P3	United Kingdom Sports Council ♥	64,205
RfR1- P3	Football Licensing Authority♥	1,261
RfR1- Q3	English Heritage♥	133,753
RfR1- Q3	Churches Conservation Trust ♣	3,000
RfR1- Q3	National Heritage Memorial Fund♥	10,002
RfR1- Q3	Commission for Architecture & Built Environment♥	4,690
RfR1- Q3	Royal Household♣	16,107
RfR1- R3	Visit Britain ♥	50,650
RfR1- S3	UK Film Council ♣	25,110
RfR1- S3	S4C ♣	94,311
RfR1- T3	National Lottery Commission♥	14,001
RfR1- U3	The Gambling Commission♥	4,220
RfR1- V3	London 2012 ♥	255,451
Total		1,687,114

Department for Work and Pensions

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years			
<u>Section</u>	<u>Reason for change</u>		
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A1	Administration, Near-Cash Redistribution from RfR5 of Office Services funding to match service provision.	3,013,000	
A1	Administration, Near-Cash Transfer of Estates funding from RfR2 and RfR4 in respect of changes in major occupancy within DWP.	1,891,000	
A1	Administration, Near-Cash Transfer of Independent Case Examiner funding to RfR5 following an extension of remit to provide an independent complaint service to all areas of DWP.		-2,861,000
A1	Administration, Near-Cash Transfer of funding to RfR5 in respect of baseline personnel security checks now being administered centrally.		-21,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A1	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £1,700,000.		
		<u>Total</u>	
Total change in resources for RfR1		4,904,000	-2,882,000
			2,022,000

**RfR 2: Promote work as the best form of welfare for people of working age,
whilst protecting the position of those in greatest need**

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Transfers to/from Central Funds</u>			
B3	Grants, Near-Cash Funding in respect of Invest to Save Round 9 Single Homelessness Enterprise Project.	191,000	
B3	Grants, Near-Cash Funding in respect of Invest to Save Round 9 Aspire Project.	15,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
N3	Grants Revised forecast of expenditure on Severe Disablement Allowance.	9,906,000	
O3	Grants Revised forecast of expenditure on industrial injury benefits.	14,036,000	
P3	Grants Revised forecast of expenditure on income support (under 60 years of age).	6,697,000	
S3	Grants Revised forecast of expenditure on Job Grant.	2,872,000	
V3	Grants Revised forecast of expenditure on housing benefit and council tax benefit subsidies.	227,543,000	
W3	Grants Revised forecast of expenditure on rent rebates.	24,893,000	
<u>Other changes in DEL spending</u>			
A5	Appropriations in Aid, Near-Cash A decrease in forecast Appropriations in Aid in respect of the National Insurance Fund leading to an equivalent decrease in non-voted expenditure.	23,571,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A1	Administration, Near-Cash Transfer from RfR3 in respect of staff training costs.	53,000	
A1	Administration, Near-Cash Transfer from RfR5 in respect of staff transferred to the Work, Welfare and Equality Group.	333,000	
A1	Administration, Near-Cash Transfer from RfR5 in respect of the transfer of the Psychology Division to Jobcentre Plus.	761,000	

A1	Administration, Near-Cash Transfer from RfR5 in respect of the transfer of the Strategic Analysts Unit to the Work, Welfare and Equality Group.	432,000
A1	Administration, Near-Cash Transfer of Estates funding to RfR1, RfR3 and RfR5 in respect of changes in major occupancy within DWP.	-3,146,000
A1	Administration, Near-Cash Transfer to RfR3 in respect of the transfer of the Identity Security Project to The Pension Service.	-1,000,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of the transfer of the Occupational Health and Safety Division to the HR Directorate.	-892,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of the transfer of the Procurment Division to the Commercial Estates Division.	-9,869,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of the transfer of staff to the Risk Assurance Division.	-224,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of the transfer of staff to the Adjudication and Constitutional Issues Division.	-18,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of the advancement of HR support services within Employee Shared Service Centres.	-822,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of Corporate HR services.	-85,000
A1	Administration, Near-Cash Redistribution to RfR5 of Office Services funding to match service provision.	-4,497,000
A1	Administration, Near-Cash Transfer of funding to RfR5 in respect of baseline personnel security checks now being administered centrally.	-82,000
<u>Resource transfers within the Request for Resources</u>		
F1	Administration, Near-Cash Transfer funds drawn down from the Housing Benefit Reform Fund to support the Rent Service from Other Current.	11,600,000
F2	Other Current, Near-Cash Transfer funds drawn down from the Housing Benefit Reform Fund to support The Rent Service to Administration.	-11,600,000

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

- A5 Administration, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £457,000.
- A5 Other Current, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £2,254,000.
- A5 Grants, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £5,544,000.
- B5 Other Current, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £140,000.
- D5 Administration, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £11,000.
- D5 Other Current, Near-Cash
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure of £2,000.
- G5 Grants, Near-Cash
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure of £111,583,000.
- H5 Grants, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £240,550,000.
- L5 Grants, Near-Cash
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure of £79,697,000.
- M5 Grants, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £10,730,000.
- R5 Grants
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure of £80,422,000.

	<u>Total</u>	322,903,000	-32,235,000
Total change in resources for RfR2			290,668,000

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Changes in Annually Managed Expenditure (AME)</u>			
B3	Grants Revised forecast of expenditure on pension benefits.	5,537,000	
<u>Other changes in DEL spending</u>			
A5	Appropriations in Aid, Near-Cash A decrease in forecast Appropriations in Aid in respect of the National Insurance Fund leading to an equivalent decrease in non-voted expenditure.	12,105,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A1	Administration, Near-Cash Transfer from RfR2 in respect of the transfer of the Identity Security Project to The Pension Service. Transfer of Estates funding from RfR2 in respect of changes in major occupancy within DWP.	1,000,000	
A1	Administration, Near-Cash Transfer from RfR5 in respect of the transfer of staff to the Pensions Client Directorate.	167,000	
A1	Administration, Near-Cash Transfer to RfR2 in respect of staff training costs.		-53,000
A1	Administration, Near-Cash Redistribution to RfR5 of Office Services funding to match service provision.		-4,159,000
A1	Administration, Near-Cash Transfer of Independent Case Examiner funding to RfR5 following an extension of remit to provide an independent complaint service to all areas of DWP.		-2,000,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of additional services provided by legal professionals.		-326,000
<u>Changes in non-budget spending</u>			
E3	Grants, Near-Cash Prior year funding for the Social Fund that was not applied in the prior year and is available to meet current year Social Fund spend.	21,000,000	

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

- A5 Administration, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £6,274,000.
- A5 Other Current, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £1,066,000.

<u>Total</u>	40,676,000	-6,538,000
Total change in resources for RfR3		34,138,000

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Changes related to movements in budgetsChanges in Annually Managed Expenditure (AME)

- | | | | |
|----|---|-------------|--|
| C3 | Grants
Revised forecast of expenditure on Attendance Allowance. | 51,519,000 | |
| D3 | Grants
Revised forecast of expenditure on Disability Living Allowance. | 210,846,000 | |

Other changesResource transfers to/from another Request for Resources

- | | | | |
|----|---|--|------------|
| A1 | Administration, Near-Cash
Transfer of Estates funding to RfR1 in respect of changes in major occupancy within DWP. | | -1,514,000 |
| A1 | Administration, Near-Cash
Transfer of funding to RfR5 in respect of baseline personnel security checks now being administered centrally. | | -8,000 |

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

- A5 Administration, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £54,000.
- A5 Other Current, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £104,000.
- B5 Grants, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £474,000.

<u>Total</u>	262,365,000	-1,522,000
Total change in resources for RfR4		260,843,000

RfR 5: Corporate contracts and support services**Changes related to movements in budgets****Transfers of budgetary cover from other government departments**

A1	Administration, Near-Cash Transfer from the Cabinet Office for funding of Parliamentary Counsel.	280,000
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Other changes in DEL spending

A1	Administration, Near-Cash Drawdown from the Financial Inclusion Fund in respect of the Growth Fund.	6,000,000
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Other changes in DEL spending

A5	Appropriations in Aid, Near-Cash A decrease in forecast Appropriations in Aid in respect of the National Insurance Fund leading to an equivalent decrease in non-voted expenditure.	10,090,000
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Other changes**Resource transfers to/from another Request for Resources**

A1	Administration, Near-Cash Transfer of Independent Case Examiner funding from RfR1 and RfR3 following an extension of remit to provide an independent complaint service to all areas of DWP.	4,861,000
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A1	Administration, Near-Cash Transfer of Estates funding from RfR2 in respect of changes in major occupancy within DWP.	1,902,000
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A1	Administration, Near-Cash Transfer of funding from RfR1, RfR2 and RfR4 in respect of baseline personnel security checks now being administered centrally.	111,000
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A1	Administration, Near-Cash Transfer from RfR2 in respect of the transfer of the Occupational Health and Safety Division to the HR Directorate.	892,000
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A1	Administration, Near-Cash Transfer from RfR2 in respect of the transfer of the Procurment Division to the Commercial Estates Division.	9,869,000
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A1	Administration, Near-Cash Transfer from RfR2 in respect of the transfer of staff to the Risk Assurance Division.	224,000
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A1	Administration, Near-Cash Transfer from RfR2 in respect of the transfer of staff to the Adjudication and Constitutional Issues Division.	18,000
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A1	Administration, Near-Cash Transfer from RfR2 in respect of the advancement of HR support services within Employee Shared Service Centres.	822,000
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A1	Administration, Near-Cash Transfer from RfR2 in respect of Corporate HR services.	85,000
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A1	Administration, Near-Cash Transfer from RfR3 in respect of additional services provided by legal professionals.	326,000	
A1	Administration, Near-Cash Redistribution from RfR2 and RfR3 of Office Services funding to match service provision.	8,656,000	
A1	Administration, Near-Cash Redistribution to RfR1 of Office Services funding to match service provision.		-3,013,000
A1	Administration, Near-Cash Transfer of funding to RfR2 in respect of the transfer of staff to the Work, Welfare and Equality Group.		-333,000
A1	Administration, Near-Cash Transfer to RfR2 in respect of the transfer of the Psychology Division to Jobcentre Plus.		-761,000
A1	Administration, Near-Cash Transfer to RfR2 in respect of the transfer of the Strategic Analysts Unit to the Work, Welfare and Equality Group.		-432,000
A1	Administration, Near-Cash Transfer to RfR3 in respect of the transfer of staff to the Pensions Client Directorate.		-167,000
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>		
A5	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £11,173,000.		
A5	Other Current, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £70,000.		
		<u>Total</u>	<u>44,136,000</u>
	Total change in resources for RfR5		-4,706,000
			39,430,000
	Total change in resources for Estimate		627,101,000

Changes in Capital

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

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

A8	<p>Capital</p> <p>A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Capital expenditure of £2,675,000.</p>		
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	<u>Total</u>	-	-
Total change in capital for Estimate		-	-

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £1,147,101,000.
3. Symbols are explained in the Introduction to this booklet.

Department for Work and Pensions

Part I

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RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	†	2,022,000
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need		290,668,000
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners		34,138,000
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society		260,843,000
RfR 5: Corporate contracts and support services		39,430,000
Total additional net resource requirement		627,101,000
Additional net cash requirement		1,147,101,000

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

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years

The administration of the child support system; preliminary work relating to the Child Maintenance Enforcement Commission; and associated non-cash items.

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

The administration costs and benefit payments of Severe Disablement Allowance; pensions' gratuities and sundry allowances for disablement and specified deaths arising from industrial causes; Income Support for the under 60s; Jobseeker's Allowance (contribution-based); Jobseeker's Allowance (income based); Analogous Industrial Injuries Scheme; earnings top up pilot; job grant; back to work bonus; compensation payments to the National Insurance Fund in respect of Statutory Sick and Statutory Maternity Pay; the provision of training and assessment programmes for adults; the promotion of enterprise and the encouragement of self employment; help for unemployed people and disability rights; administration costs of payments and loans made from the Social Fund; measures to help people, particularly those on welfare and at a disadvantage in the labour market, into work; National Employment Panel; the administration of, and where appropriate, the payment of allowances to people participating in the Welfare to Work programme, the Job Transition service and other employment programmes, pilot programmes and new measures to help people into work; temporary subsidies to employers; payments and grants to private, public and voluntary bodies and local authorities towards the provision of supported employment or employment programmes; a Grant in Aid to Working Ventures UK; a Grant in Aid and the provision of a temporary loan facility to Remploy Ltd; assistance and advice on employment service and labour market issues to international organisations; research; publicity; development of the Employment Support Allowance; subsidies to housing, billing, levying and local authorities towards the costs incurred in administering the Housing Benefit and/or Council Tax Benefit schemes; rent rebate; rent allowance; Council Tax Benefit; payments in respect of anti-fraud and similar administrative measures; discretionary

Part I (*continued*)

housing payments; compensation for sufferers, or their dependants, of certain dust related diseases; The Rent Service Agency; the Health and Safety Commission (HSC) / Executive (HSE) and the Health and Safety Laboratory (HSL); grants to further health and safety in the workplace; the administration costs of the Work, Welfare and Equality Client Group; payments for education; training and employment projects assisted by the European Union and refunds to the European Union; the UK subscription to the International Labour Organisation; other international educational programmes; payments in respect of Local Area Agreements; measures to promote financial inclusion; contribution towards the costs of setting up the Commission for Employment and Skills; and associated non-cash items.

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

The administration costs and benefit payments of non-contributory retirement pensions; Christmas Bonus payments to pensioners; Age-related payments; One-off payments to those over 60, Income Support for the elderly; Pension Credit; the administration costs of working age and pension age benefits to customers abroad; the administration costs of Housing Benefit, Council Tax Benefit, Attendance Allowance and Disability Living Allowance to pensioners; sums payable to fund payments and loans made by the Social Fund; the administration costs of payments and loans made from the Social Fund; costs associated with the collapse of private pension schemes; expenditure to assist people to make plans for their retirement; research into pensions; private pensions industry regulatory work; the administration of pilot programmes; programmes and new measures to help improve independence and social inclusion of older people; grants to voluntary bodies and local authorities towards the needs of older people; Grants in Aid to the Centre for Policy on Ageing, to the Pensions Advisory Service, to the Pension Protection Fund, to the Pensions Regulator, to the Office of the Pensions Ombudsman, to the Pensions Protection Fund Ombudsman, to the Personal Accounts Delivery Authority and for the administration costs of Better Government for Older People; payments made to the BBC in respect of over 75s free TV licence scheme; expenditure in respect of the Pensions Regulator, the Financial Assistance Scheme and preliminary work relating to the Personal Accounts Delivery Authority; payment of the General Levy to the Pensions Regulator in respect of Public Sector Pensions Schemes; and associated non-cash items.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

The administration costs and benefit payments of Attendance Allowance; Disability Living Allowance; Carer's Allowance; Vaccine Damage; Grants in Aid to the Disability Rights Commission, Motability, Independent Living Fund; and associated non-cash items.

RfR 5: Corporate contracts and support services

Corporate administration; measures to promote financial inclusion; collecting debt on behalf of other public sector bodies and private sector bodies; and associated non-cash items.

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

† £300,000 has been advanced from the Contingencies Fund to provide cash in respect of £300,000 resources supporting the service provided for under subhead A1 of this Estimate. A corresponding cash amount is required to enable repayment to be made to the Fund.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	406,751	3,722	1,700	2,022	408,773
Total RfR 1		3,722	1,700	2,022	
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 2 - A Administration	2,717,599	-10,801	-15,316	4,515	2,722,114
RfR 2 - B Employment Programmes	772,177	346	140	206	772,383
RfR 2 - D Health and Safety Laboratory	-	9	9	-	-
RfR 2 - G European Social Fund and European Globalisation Fund	-	-111,583	-111,583	-	-
RfR 2 - H European Social Fund payments in advance of receipts	32,700	240,550	240,550	-	32,700
<i>Support for Local Authorities</i>					
RfR 2 - L European Social Fund	-	-79,697	-79,697	-	-
RfR 2 - M European Social Fund payments in advance of receipts	-	10,730	10,730	-	-
Spending in Annually Managed expenditure (AME)					
<i>Central Government Spending</i>					
RfR 2 - N Severe Disablement Allowance	886,667	9,906	-	9,906	896,573
RfR 2 - O Industrial injury benefits	793,109	14,036	-	14,036	807,145
RfR 2 - P Income support (under 60 years of age)	8,778,303	6,697	-	6,697	8,785,000
RfR 2 - R Jobseeker's allowance (contribution based)	-	-80,422	-80,422	-	-
RfR 2 - S Job Grant	45,064	2,872	-	2,872	47,936
<i>Support for Local Authorities</i>					
RfR 2 - V Housing benefit and council tax benefit subsidies	13,916,309	227,543	-	227,543	14,143,852
RfR 2 - W Rent rebates	5,234,667	24,893	-	24,893	5,259,560
Total RfR 2		255,079	-35,589	290,668	
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government Spending</i>					
RfR 3 - A Administration	198,666	2,836	-4,765	7,601	206,267
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 3 - B Pension benefits	60,499	5,537	-	5,537	66,036

Non-Budget

RfR 3 - E	Payments to the Social Fund	2,475,283	21,000	-	21,000	2,496,283
Total RfR 3		29,373	-4,765	34,138		

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 4 - A	Administration	248,343	-1,364	158	-1,522	246,821
RfR 4 - B	Motability administration	2,800	474	474	-	2,800

Spending in Annually Managed Expenditure (AME)

Central Government spending

RfR 4 - C	Attendance Allowance	4,391,481	51,519	-	51,519	4,443,000
RfR 4 - D	Disability Living Allowance	9,748,154	210,846	-	210,846	9,959,000
Total RfR 4		261,475	632	260,843		

RfR 5: Corporate contracts and support services

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 5 - A	Administration	1,039,380	40,583	1,153	39,430	1,078,810
Total RfR 5		40,583	1,153	39,430		

Total Changes to RfRs	590,232	-36,869	627,101
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	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	66,992	-2,675	64,317
Non-Operating A in A	15,495	-2,675	12,820
Net cash requirement	66,698,991	1,147,101	67,846,092

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years								
410,671	-	-	410,671	1,898	408,773	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
410,671	-	-	410,671	1,898	408,773	-	-	
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need								
3,354,138	1,018,115	35,813,861	40,186,114	1,852,728	38,333,386	24,978	495	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
3,064,400	119,651	51,236	3,235,287	513,173	2,722,114	13,605	-	
B Employment Programmes								
-	678,293	94,230	772,523	140	772,383	-	-	
C Health and Safety Executive								
221,976	58,725	-	280,701	53,319	227,382	8,900	475	
D Health and Safety Laboratory								
32,260	5,237	-	37,497	37,497	-	1,800	20	
E Capital Grants								
-	2,549	5,927	8,476	-	8,476	-	-	
F The Rent Service Executive Agency								
35,502	-	-	35,502	-	35,502	673	-	
G European Social Fund and European Globalisation Fund								
-	-	4,908	4,908	4,908	-	-	-	
H European Social Fund payments in advance of receipts								
-	32,700	614,781	647,481	614,781	32,700	-	-	
<i>Support for Local Authorities</i>								
I Employment Programmes								
-	-	37,047	37,047	-	37,047	-	-	
J Housing benefit and council tax benefit administration grants								
-	-	680,200	680,200	-	680,200	-	-	
K Capital grants to Local Authorities								
-	-	2,895	2,895	-	2,895	-	-	
L European Social Fund								
-	-	900	900	900	-	-	-	
M European Social Fund payments in advance of receipts								
-	-	39,412	39,412	39,412	-	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
N Severe Disablement Allowance								
-	-76	896,948	896,872	299	896,573	-	-	
O Industrial injury benefits								
-	-74	845,992	845,918	38,773	807,145	-	-	
P Income support (under 60 years of age)								
-	116,830	8,801,618	8,918,448	133,448	8,785,000	-	-	
Q Jobseeker's allowance (income based)								
-	1,003	2,051,776	2,052,779	1,484	2,051,295	-	-	
R Jobseeker's allowance (contribution based)								
-	-	414,594	414,594	414,594	-	-	-	
S Job Grant								
-	-	47,936	47,936	-	47,936	-	-	
T Employment Allowances								
-	-	84,297	84,297	-	84,297	-	-	
U Housing and Council tax benefit capital charge								
-	3,277	-	3,277	-	3,277	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
Support for Local Authorities								
V	Housing benefit and council tax benefit subsidies							
-	-	14,143,852	14,143,852	-	14,143,852	-	-	
W	Rent rebates							
-	-	5,259,560	5,259,560	-	5,259,560	-	-	
X	Discretionary housing payments							
-	-	20,000	20,000	-	20,000	-	-	
Non-budget								
Y	Statutory benefits (SSP and SMP)							
-	-	1,712,065	1,712,065	-	1,712,065	-	-	
Z	Working Age (Grants in Aid)							
-	-	3,687	3,687	-	3,687	-	-	
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners								
	606,204	6,099	10,447,120	11,059,423	424,920	10,634,503	3,640	-
Spending in Departmental Expenditure Limits (DEL)								
Central Government spending								
A	Administration							
606,204	6,830	18,153	631,187	424,920	206,267	3,640	-	
Spending in Annually Managed Expenditure (AME)								
Central Government spending								
B	Pension benefits							
-	-5	66,041	66,036	-	66,036	-	-	
C	Income support for the elderly and Pension Credit							
-	-726	7,327,780	7,327,054	-	7,327,054	-	-	
D	TV licences for the over 75s							
-	-	503,078	503,078	-	503,078	-	-	
Non-budget								
E	Payments to the Social Fund							
-	-	2,496,283	2,496,283	-	2,496,283	-	-	
F	Pensions Grants in Aid							
-	-	35,785	35,785	-	35,785	-	-	
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society								
	246,875	-139	16,022,399	16,269,135	24,759	16,244,376	-	-
Spending in Departmental Expenditure Limits (DEL)								
Central Government spending								
A	Administration							
246,875	104	-	246,979	158	246,821	-	-	
B	Motability administration							
-	160	3,274	3,434	634	2,800	-	-	
Spending in Annually Managed Expenditure (AME)								
Central Government spending								
C	Attendance Allowance							
-	-403	4,445,452	4,445,049	2,049	4,443,000	-	-	
D	Disability Living Allowance							
-	-	9,980,918	9,980,918	21,918	9,959,000	-	-	
E	Carer's Allowance							
-	-	1,271,787	1,271,787	-	1,271,787	-	-	
F	Vaccine Damage Payments							
-	-	500	500	-	500	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
G	Grants to independent bodies							
-	-	300,468	300,468	-	300,468	-	-	
Non-budget								
H	Disability Rights Commission (Grant in Aid)							
-	-	20,000	20,000	-	20,000	-	-	
RfR 5: Corporate contracts and support services								
1,230,655	162,875	-	1,393,530	314,720	1,078,810	35,699	12,325	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Administration							
1,230,655	162,875	-	1,393,530	314,720	1,078,810	35,699	12,325	
Total for Estimate:								
5,848,543	1,186,950	62,283,380	69,318,873	2,619,025	66,699,848	64,317	12,820	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	66,072,747	627,101	66,699,848
Voted capital items			
Capital	66,992	-2,675	64,317
<i>Less:</i> Non-operating A in A	15,495	-2,675	12,820
Total net voted capital	51,497	-	51,497
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-54,966	-	-54,966
Depreciation	-153,023	-	-153,023
New provisions and adjustments to previous provisions	-97,022	-	-97,022
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-1,074	-	-1,074
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	809,945	-	809,945
Increase(-)/decrease (+) in creditors	-	520,000	520,000
Use of provisions	70,887	-	70,887
Total accruals to cash adjustments	574,747	520,000	1,094,747
Excess cash to be CFERd	-	-	-
Net Cash Requirement	66,698,991	1,147,101	67,846,092

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	408,773
RfR2	3,265,160
RfR3	597,065
RfR4	246,821
RfR5	1,192,735
Total Net Administration Costs	5,710,554
Net Programme Costs	
RfR1	-
RfR2	35,068,226
RfR3	7,541,155
RfR4	15,997,555
RfR5	-113,925
Non-voted	68,901,718
Total Net Programme costs	127,394,729
Total Net Operating Cost	133,105,283
<i>of which:</i>	
Net Resource Requirement	66,699,848
Non-voted expenditure	68,901,718
Consolidated Fund Extra Receipts	-
Resource Budget	133,199,757

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	66,699,848
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	68,901,718
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-2,496,283
Net Operating Costs (Accounts)	133,105,283
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
Capital grants	-12,283
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	947
unallocated resource provision	104,900
Other adjustments	910
Resource Budget (Budget)	133,199,757
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	7,733,237
Annually Managed Expenditure (AME)	125,466,520

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	51,497
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	395
capital grants	12,283
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	154,369
Capital Budget (Budget)	218,544
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	64,175
Annually Managed Expenditure (AME)	154,369

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Leigh Lewis, Permanent Head of the Department
Request for Resources 2	Leigh Lewis, Permanent Head of the Department
Request for Resources 3	Leigh Lewis, Permanent Head of the Department
Request for Resources 4	Leigh Lewis, Permanent Head of the Department
Request for Resources 5	Leigh Lewis, Permanent Head of the Department

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	
Administration	1,898
<i>of which:</i>	
Sale of goods and services	1,898
Total RfR1	1,898 †

† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from staff for private telephone calls; receipts from staff towards the costs of private use of official vehicles; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from other departments/organisations in respect of outward secondments; receipts from the sale of non-capital items; receipts from applicants for services provided by the Child Support Agency and receipts from the repayment of maintenance by non-resident parents, where the parent with care is in receipt of income support, reduced by the child maintenance premium paid directly to the parent with care.

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Administration	88,978
<i>of which:</i>	
Sale of goods and services	88,978
Programme	1,763,750
<i>of which:</i>	
Sale of goods and services	955,620
EU income	660,001
CFERs	-
Other income (including receipts)	148,129
Total RfR2	1,852,728 †

† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated cost of administering National Insurance benefits; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from staff for private telephone calls; receipts from staff towards the costs of private use of official vehicles; receipts from mortgage lenders; receipts from other departments/organisations in respect of outward secondments; receipts from the sale of non-capital items; receipts from match funded projects; the recovery of the cost of administering allowance payments for work based learning for adults in Scotland and Wales; proceeds from crime from Home Office in respect of benefit fraud and organised fraud; contribution from Scotland

and Wales towards employment programmes and Employment Zones; receipts from Local Authorities for services provided to them by Departmental Action Teams, including Neighbourhood Renewal Funds, rent and similar receipts; receipts from outside bodies in respect of partnership working in New Deal for Community areas; recovery from the EC of the costs of work on European Employment Services (EURES) and work undertaken on labour market issues in eastern Europe; receipts from the EU for travel expenses, and subsistence allowances incurred by staff on European Union business; receipts from selling services under the Wider Markets Initiative; receipts from partner organisations in respect of action teams; the recovery of excess payments made on Jobcentre Plus employment measures; receipts from damages payable to recipients of Statutory Sick Pay; receipts via Compensation Recovery Unit in respect of

benefits paid in lieu; payments on return to work after a trade dispute made to people who would normally be excluded from Income Support because they are in full time work; payments by liable relatives; amounts collected through a court order or on a voluntary basis from relatives of income support claimants; receipts from the Child Support Agency of payments of maintenance from absent parents for parents with care who are in receipt of Income Support or Jobseeker's Allowance (income based); repayment of Jobseeker's Allowance (contribution based) from the National Insurance Fund; receipts in respect of the Health and Safety Commission (HSC)/Executive (HSE) and the Health and Safety Laboratory (HSL), including fees and charges levied, receipts for research, administrative services, testing, fee paying enquiries, dissemination of information, royalties, the loan and hire of equipment, seminars,

patent rights, conferences and publications (in print and non-print media); payments from other government departments, agencies, non-departmental public bodies and overseas governments; sales of land and buildings, water, stores, plant, equipment, machinery and vehicles; recoveries of seconded staff salaries; receipts for the use of accommodation, rental income, receipts from property and land, sponsorship, including contributions from co-sponsors towards the costs of research and surveys carried out; recoveries from the European Union in respect of travelling expenses and subsistence allowances incurred by staff on European Union business; contributions and recoveries from the European Union of costs of research and projects, legal claims, including

awards of court costs and out of court settlements; refunds of advance of salaries of staff, and repayment of loans; receipts from the EC to meet payments to Local Authorities and non-exchequer bodies for education and training and employment projects training assisted by the European Social Fund; receipts from the European Globalisation Fund; Joint International Unit administration receipts; payments from the Department for Children, Schools and Families and the Department for Innovation, Universities and Skills; refunds from Local Authorities of Housing Benefit Reform Funding; National Employment Panel receipts.

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Administration	9,139
<i>of which:</i>	
Sale of goods and services	9,139
Programme	415,781
<i>of which:</i>	
Sale of goods and services	415,781
Total RfR3	424,920 †

† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated costs of administering NI benefits, services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from other departments/organisations in respect of outward secondments; receipts for levy funded bodies; receipts from mortgage lenders; receipts from selling services under the Wider Markets Initiative; receipts from staff for private telephone calls; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; receipts from staff towards the cost of private use of official vehicles.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Administration	54
<i>of which:</i>	
Sale of goods and services	54
Programme	24,705
<i>of which:</i>	
Sale of goods and services	24,071
Other income (including receipts)	634
Total RfR4	24,759 †

† Amount that may be applied as appropriations in aid in addition to the net total arising from: services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from other departments/organisations in respect of outward secondments; receipts from staff for private telephone calls; receipts from staff towards the cost of the use of official vehicles; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; recoveries of payments towards Motability's car adaptation/conversion and administration costs.

RfR 5: Corporate contracts and support services

Administration	37,920
<i>of which:</i>	
Sale of goods and services	37,920
Programme	276,800
<i>of which:</i>	
Sale of goods and services	276,800
Interest and dividends	-
Total RfR5	314,720 †

† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated cost of administering NI benefits; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from other departments/organisations in respect of outward secondments; receipts from staff for private telephone calls; receipts from staff towards the costs of private use of official vehicles; recovery of law costs from defendants; receipts from sub-let accommodation; receipts from sale of non-capital items; receipts from Working Links, Working Links management fee and dividend; Early Departures pre-funding interest.

Total Operating A in A	2,619,025
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Analysis of non - operating appropriations in aid (A in A)

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	
Programme	495
<i>of which:</i>	
Sale of assets	495
Total RfR2	495 †

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

RfR 5: Corporate contracts and support services	
Programme	12,325
<i>of which:</i>	
Sale of assets	12,325
Total RfR5	12,325 †

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

Total Non-Operating A in A	12,820
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	53,139	-45,766	6,449,887	1,283,350	7,733,237
<i>Administration budget †</i>	17,880	-	5,710,554	105,810	5,816,364
<i>Near-cash in RDEL</i>	53,139	-45,766	6,238,517	1,332,008	7,570,525
Capital DEL ††	-887	-	63,780	395	64,175
Less Depreciation †††	-	-	-153,023	-1,342	-154,365
Total	52,252	-45,766	6,360,644	1,282,403	7,643,047

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

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

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

Cash which may be retained to offset expenditure

£'000
2,631,845

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

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR3	Better Government for Older People	600

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

RfR/Section	Body		£ '000
RfR2	NEP Limited	♥	3,687
RfR3	The Pensions Regulator	♥	29,800
RfR3	The Pensions Advisory Service	♥	2,788
RfR3	Office of the Pensions Ombudsman	♥	2,597
RfR4	Disability Rights Commission	♥	20,000
	Total		<hr/> 58,872

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£ '000	
As at 31 March 2007, the following liabilities fell to be met from the Department's Estimate:		
Non-Statutory	£'000	
Child Support Agency debt		
The Agency operates a discretionary scheme for certain qualifying cases whereby a lump sum payment of arrears is made to a parent with care before that money is collected by the Agency from the non-resident parent. Entitlement to such a payment is neither automatic nor referred to in legislation. These payments are shown in the Accounts as advance payments of maintenance and interest payable and in 2006-07 £1.614 million (2005-06 £1.247 million) was charged. At 31 March 2007 a number of cases existed which may subsequently qualify under this scheme, giving rise to a potential liability. The amount of this liability is dependent on a number of factors, the outcome of which for each case is unable to be determined. For this reason no provision has been made in the Accounts. Any future potential liability is mitigated by the fact that this scheme can be withdrawn without notice.	Unquantifiable	
Remploy Limited		
The Secretary of State for Work and Pensions has given formal guarantee in respect of Remploy Limited, an Executive Non-Departmental Public Body. In the event of Remploy Limited becoming insolvent, the Secretary of State has agreed to pay Remploy Limited a sum equal to any and all of its remaining debts i.e the excess of its liabilities over and above the proceeds from realisation of its assets. In addition to this guarantee over Remploy's net liabilities the Department also guarantees to cover any shortfall in its pension provision.	Unquantifiable	
Better Government for Older People (BGOP)		
This is an initiative which is funded by several consortium partners with the Department for Work and Pensions providing the largest proportion of funds by way of Grant-in-Aid. Since BGOP has no legal identity, the usual 'Financial Memorandum' is replaced by a 'Consortium Agreement' that has Treasury approval. But in addition to the funding which the DWP provides, we have also agreed to indemnify Help the Aged, the host organisation, against any losses arising from BGOP activity to the sum of £1 million in any one year and, as the 'Consortium Agreement' year runs from October to September, £2 million in totality.	2,000	
European Social Fund (ESF) Repayments		
The Department has a potential liability in respect of ineligible claims for ESF programmes that operated during 1994-99 and 2000-06. The Department anticipates it will be able to claim from the European Commission expenditure of £19m already paid to ESF projects, and this amount has been provided for in these accounts.	Unquantifiable	
An additional liability could arise in 2009 at the closure of the 2000-06 ESF programme when the ESF Audit Authority is required to produce a closure statement for each ESF programme. There is a risk that any adverse opinions might result in the European Commission imposing financial corrections. At present there is uncertainty as to the amount of any potential liability. This means a provision cannot be justified at this stage.		

Financial Assistance Scheme

In March 2007, the Budget announced an extension to the Financial Assistance Scheme. The provision will not be amended until legislation is in place (expected to be in November 2007). This will increase the Financial Assistance Scheme provision by £1.368 billion and additional budgetary cover will be required. 1,368,000

Employment Tribunals

The Health and Safety Executive (HSE) is currently defending two equal-pay cases. In October 2003, HSE successfully appealed at an Employment Appeal Tribunal against an Employment Tribunal decision handed down in July 2002. That appeal was subjected to cross appeal and in October 2004 the Court of Appeal referred a point of law to the European Court of Justice (ECJ). The ECJ judgement was handed down in October 2006, following which the Court of Appeal remitted the case back to the Employment Tribunal for a rehearing. No date has yet been fixed for this rehearing. Unquantifiable

HSE is defending a claim for compensation brought by a small number of staff which alleges that HSE is in breach of contract and that those breaches are ongoing. The basis of their claim is that in 2004 HSE imposed a new pay system without their agreement, which financially disadvantaged them. HSE is defending the case which is due to be heard at an Employment Tribunal in June 2007.

Health and Safety Laboratories (HSL)

Towards the end of the 2005-06 financial year, both HSL and a main contractor engaged by HSL, received claims alleging that injuries had been incurred by an employee of a sub-contractor engaged by the main contractor to work on HSL's site at Buxton. The matter remains the subject of both a police investigation and a HSE investigation, the confidential nature of which means that HSL is still awaiting further information to enable it to assess its position with regard to any potential liability. Unquantifiable

Vaccine Damage Payments

Important changes to the Vaccine Damage Payments Scheme have been introduced. The level of disablement that is defined as severe has been reduced from 80% to 60 % and the period of time during which a claim can be made has been extended. Unquantifiable

These changes mean that some people who have been disallowed in the past may be able to make another claim under these new rules. These further claims had to be received by 16 June 2005. All of the 389 claims received by this deadline were rejected. As they carry appeal rights there is no time limit for requesting a Vaccine Damage Appeal and it can be 10 years or more before they decide to go ahead. It is not currently possible to estimate the value or success of these claims and so no provision has been made in these accounts.

Deficiency Notices

Deficiency notices were not sent out for the tax years 1996-97 to 2001-02. Her Majesty's Revenue and Customs (formerly Inland Revenue) has contacted customers of working age. Between September 2004 and September 2005, The Pension Service contacted 414,427 pensioner customers affected by the suspension of deficiency notices. Customers who reached State Pension age between 6 April 1998 and 24 October 2004 (inclusive) were invited to consider paying voluntary contributions to provide them with the opportunity to improve their basic State pension or qualify for one for the first time. 11,000

As at March 2006, State Pension arrears of £76.2 million had been paid out in relation to the pensioner exercise, plus interest of £3.0 million. The administrative cost of the project to this date has been £31.3 million.

The estimated further cost of State Pension arrears to be paid during the remainder of the exercise is £8.5 million plus interest of £0.6 million, with a further administrative cost estimated at around £1.9 million, contingent upon contact from customers.

The Rent Service

There are a number of legal claims against The Rent Service, the outcome of which cannot at present be stated with certainty. None of these claims have been settled. A cost of £90,000 has been estimated based on previous experience of similar claims. A cost of £60,000 has also been estimated for two pending Employment Tribunal cases. These costs have not been provided for in these financial statements. 150

Employee Assistance Programme

The Department has a potential liability in respect of tax on 'legal advice' provided by the Employee Assistance Programme (EAP). This potential liability has arisen as a result of a Statutory Instrument introduced in August 2000. Although 'legal advice' forms a small part of the EAP services the rules state that where any part of an EAP service provides 'legal advice' the whole of that service is liable for tax. The Employee Assistance Professional Association are challenging HM Revenue and Customs policy and interpretation of 'legal advice' on the basis that it provides clear employer benefit as it is an essential part of the employer's resources for maintaining the well being of its employees. The Department has entered into discussions with HMRC. It is currently not possible to estimate the value of this liability so no provision has been made in these accounts. Unquantifiable

Pneumoconiosis Payments

Jobcentre Plus are accountable for compensation payments in relation to pneumoconiosis. Compensation payments are made under the workers' Pneumoconiosis Compensation Payments Scheme which is intended to compensate those suffering from certain dust diseases where they are unable to claim compensation by way of civil action in the courts. Award of Industrial Injuries Disablement Benefit is a precondition for payments to all sufferers and most dependants. The payment amounts and the number of years for which they will continue are unclear. No reliable estimate of the financial effect can therefore be given. Unquantifiable

Northern Ireland Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
Take up of voted EYF totalling £61,206,000 - £59,440,000 near cash and £1,766,000 non cash.			
Near cash EYF			
C1	Administration Costs - Political Directorate - In year cover for Political Inquiries	1,436,000	
E1	Administration Costs - Forensic Science Northern Ireland - additional resources for modernisation and business development	847,000	
L1	Administration costs- Bloody Sunday Inquiry - additional resources for staffing and related non-manpower costs	597,000	
C2	Other Resource - Political Directorate - In year cover for Political Inquiries	28,921,000	
D2	Other Resource - Public Prosecution Service - Additional resources for fit-out of regional offices	5,221,000	
F2	Other Resource- Criminal Justice- Additional resources for community safety crime reduction work and start-up costs for Law Commission	7,513,000	
F3	Other Resource - Criminal Justice - Additional resources for witness support programmes	140,000	
J2	Other Resource- Northern Ireland Prison Service - Additional resources to cover SR04 shortfall	7,700,000	
K2	Other Resource - Youth Justice Agency - Additional resources for youth conferencing services and increased overheads	2,695,000	
L2	Other Resource - Bloody Sunday Inquiry- Additional resources to cover SR04 baseline shortfall	4,370,000	

	Non cash EYF		
C2	Other Resource - Political Directorate- In year cover for Political Inquiries - non-cash costs	84,000	
D2	Other Resource- Public Prosecution Service - Additional resources for depreciation and cost of capital charges	660,000	
F2	Other Resource- Criminal Justice- Additional resources for community safety work	3,000	
G3	Other Resource - Compensation Agency - Additional resources for criminal damage provisions	633,000	
K2	Other Resource- Youth Justice Agency- Additional resources for IT non-cash charges	381,000	
L2	Other Resource - Bloody Sunday Inquiry- Additional resources required to meet increased depreciation requirement	5,000	
	<u>Machinery of Government changes</u>		
F2	Other current resources - Criminal Justice - to transfer responsibility for the Criminal Injuries Compensation Appeals Panel for Northern Ireland to the Northern Ireland Court Service		-681,000
	<u>Take up of Departmental Unallocated Provision</u>		
A1	Administration Costs -Central Administration - take up of Departmental Unallocated Provision to fund increased running costs	5,000,000	
	<u>Transfers of budgetary cover to/from other government departments</u>		
A1	Administration costs- Central Administration- Budget transfer from the Cabinet Office for the Parliamentary Counsel's Office	165,000	
	<u>Other Changes in DEL Spending</u>		
F2	Other current resources - Criminal Justice - reduction in non-cash costs arising from the transfer of fixed assets		-60,000
	<u>Other changes</u>		
	<u>Resource transfers within the Request for Resources</u>		
F1	Reallocation of administration costs from the Criminal Justice Directorate to Central Administration		-1,301,000
A1	Reallocation of administration costs to Central Administration from the Criminal Justice Directorate	1,301,000	
A2	Reallocation of other current resources from Central Administration to the Criminal Justice Directorate		-514,000
F2	Reallocation of other current resources to the Criminal Justice Directorate from Central Administration	514,000	

Northern Ireland Office

Winter Supplementary Estimate, 2007-08

A2	Reduction in other current resources in Central Administration to offset increase in grants to Northern Ireland Human Rights Commission		-135,000
R3	Increase in grants to Northern Ireland Human Rights Commission offset by reduction in other current resources in Central Administration	135,000	
P3	Reduction in grants to Probation Board for Northern Ireland to offset increase in other current resources in Criminal Justice Directorate		-594,000
F2	Increase in other current resources in Criminal Justice Directorate offset by reduction in grants to Probation Board for Northern Ireland	594,000	
S3	Reduction in grants to the Criminal Justice Inspectorate to offset increase in other current resources in Criminal Justice Directorate		-204,000
F2	Increase in other current resources in Criminal Justice Directorate offset by reduction in grants to the Criminal Justice Inspectorate	204,000	
A2	Reduction in other current resources in Central Administration to offset increase in grants relating to the Compensation Agency		-8,205,000
G3	Increase in grants relating to the Compensation Agency offset by reduction in other current resources in Central Administration	8,205,000	
A2	Reallocation of other current resources from Central Administration to Compensation Agency		-208,000
G2	Reallocation of other current resources to Compensation Agency from Central Administration	208,000	
D2	Reallocation of other current resources from Public Prosecution Service to Central Administration		-1,138,000
A2	Reallocation of other current resources to Central Administration from Public Prosecution Service	1,138,000	
D1	Reallocation of administration costs from Public Prosecution Service to Central Administration		-717,000
A1	Reallocation of administration costs to Central Administration from Public Prosecution Service	717,000	
L1	Reallocation of administration costs from Bloody Sunday Inquiry to Central Administration		-51,000
A1	Reallocation of administration costs from Central Administration to Bloody Sunday Inquiry	51,000	
A2	Reallocation of other current resources from Central Administration to Political Directorate		-51,000
C2	Reallocation of other current resources for funding of inquiries to Political Directorate from Central Administration	51,000	
L2	Reallocation of other current resources from Bloody Sunday Inquiry to Central Administration		-103,000
A2	Reallocation of other current resources to Central Administration to Bloody Sunday Inquiry	103,000	
F2	Reallocation of other current resources from Criminal Justice to Youth Justice Agency		-24,000
K2	Reallocation of other current resources to Youth Justice Agency from Criminal Justice	24,000	
J1	Reallocation of administration costs from Northern Ireland Prison Service to Central Administration		-3,134,000

Northern Ireland Office

Winter Supplementary Estimate, 2007-08

A1	Reallocation of administration costs to Central Administration from Northern Ireland Prison Service	3,134,000	
J2	Reallocation of other current resources from Northern Ireland Prison Service to Central Administration		-7,207,000
A2	Reallocation of other current resources to Central Administration from Northern Ireland Prison Service	7,207,000	
A2	Reduction in other current resources in Central Administration to offset increase in grants for Northern Ireland Prison Service		-60,000
J3	Increase in grants for Northern Ireland Prison Service offset by reduction in other current resources for Central Administration	60,000	
A1	Reallocation of administration costs from Central Administration to Forensic Service Northern Ireland		-47,000
E1	Reallocation of administration costs to Forensic Service Northern Ireland from Central Administration	47,000	
B1	Reallocation of administration costs for funding of Inquiries from Ministers to Political Directorate		-223,000
C1	Reallocation of administration costs for funding of Inquiries to Political Directorate from Ministers	223,000	
L2	Reallocation of other current resources for funding of Inquiries from Bloody Sunday Inquiry to Political Directorate		-1,864,000
C2	Reallocation of other current resources for funding of Inquiries to Political Directorate from Bloody Sunday Inquiry	1,864,000	
B1	Reallocation of administration costs from Ministers to Central Administration		-352,000
A1	Reallocation of administration costs to Central Administration to Ministers	352,000	
A1	Reallocation of administration costs from Central Administration to Policing & Security		-30,000
H1	Reallocation of administration costs to Policing & Security from Central Administration	30,000	
I2	Reallocation of other current resources from Policing non-severance to Central Administration		-160,000
A2	Reallocation of other current resources to Central Administration from Policing non-severance	160,000	
A2	Reduction in other current resources in Central Administration offsetting increase in Police grants		-1,517,000
M3	Increase in Police grants offset by reduction in other current resources in Central Administration	1,517,000	
	<u>Transfers to/from non-voted spending</u>		
A2	Increase in other current resources for Central Administration transferred from non-voted Police Ombudsman funds	293,000	
	<u>Changes in non-budget spending</u>		
M3	Increase in cash grant for Police -cash consequences of draw down of non-voted End-Year Flexibility- additional resources to cover	6,344,000	

M3	Increase in cash grant for Police in year use of provisions	60,190,000	
P3	Increase in cash grant for Probation Board for Northern Ireland - cash consequences of draw down of non-voted End-Year Flexibility - additional resources for prisoner visitor centres and Supporting People project	1,921,000	
O3	Increase in cash grant for Police Ombudsman for Northern Ireland - cash consequences of draw down of non-voted End-Year Flexibility - additional resources to cover work of the Historical Enquiries Team	895,000	
Q3	Increase in cash grant for Northern Ireland Policing Board - cash consequences of draw down of non-voted End -Year Flexibility - additional resources for District Policing Partnerships	900,000	
Q3	Reduction in cash grant for Northern Ireland Policing Board		-40,000
M3	Increase in cash grant for Police to fund non-voted capital spending by Police	11,902,000	
R3	Increase in cash grant for Northern Ireland Human Rights Commission to fund non-voted capital spending by the Commission	50,000	
S3	Increase in cash grant for Criminal Justice Inspectorate to fund non-voted capital spending by the Inspectorate	10,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A1 and	Increase in central administration costs offset by increase in	280,000	280,000
A1 and	Reduction in Central Administration expenditure to offset decrease in	-8,000.	8,000
J5	Northern Ireland Prison Service receipts.		
A2 and	Increase in Central Administration expenditure offset by increase in	579,000	-579,000
H5	receipts for Policing & Security		
A2 and	Increase in Central Administration expenditure offset by increase in	124,000	-124,000
J5	receipts for Northern Ireland Prison Service		
C2 and	Increase in PolITICAL Directorate expenditure offset by increase in	70,000	-70,000
C5	receipts from Electoral Commission for funding of inquiries		
D1 and	Reduction in administration expenditure to offset decrease in	-1,000.	1,000
D5	administration receipts		
D2 and	Reduction on other current expenditure for Public Prosecution	-10,000.	10,000
D5	Service to offset decrease in programme receipts		
E1 and	Increase in administration costs for Forensic Service Northern Ireland	1,304,000	-1,304,000
E5	offset by increase in receipts relating to Historical Enquiries Team		
G3 and	Increase in Compensation Agency grants offset by increase in	120,000	-120,000
G5	receipts relating to compensation recovery		
H2 and	Increase in Policing & Security expenditure offset by increase in	866,000	-866,000
H5	receipts		
H3 and	Increase in Policing & Security grants offset by increase in receipts	53,000	-53,000
H5			

H1 and H5	Increase in Policing & Security expenditure offset by increase in receipts	152,000	-152,000
K2 and K5	Increase in Youth Justice Agency expenditure offset by increase in receipts relating to Youth projects	30,000	-30,000

	<u>Total</u>	180,283,000	-32,188,000
Total change in resources for RfR1			148,095,000

Total change in resources for Estimate			148,095,000
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Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL Spending</u>			
F7	Criminal Injuries - reduced requirement for fixed asset acquisitions		-10,000
<u>Other changes</u>			
<u>Transfers to/from non-voted spending</u>			
A7	Transfer from Central Administration capital to non-voted capital spending		-7,260,000
C7	Transfer from Political Directorate capital to non -voted capital spending		-160,000
F7	Transfer from Criminal Justice capital to non-voted capital spending		-4,542,000
<u>Transfers within the Estimate</u>			
F7	Reduction in Criminal Justice capital offsetting increase in Policing & Security capital		-90,000
H7	Increased capital requirement of Policing & Security	90,000	
F7	Reduction in Criminal Justice capital offsetting increase in Youth Justice Agency capital		-21,000
K7	Increased capital requirement of Youth Justice Agency	21,000	
<u>Changes in non-operating appropriations-in-aid (fully offset by changes in spending)</u>			
A7	Increase in Central Administration capital expenditure	69,211,000	
A8	Increased capital receipts for Central Administration		-69,211,000
	<u>Total</u>	69,322,000	-81,294,000
Total change in capital for Estimate			-11,972,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £134,174,000

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

Northern Ireland Office

Part I

£

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	†	148,095,000
Total additional net resource requirement		148,095,000
Additional net cash requirement	†	134,174,000

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

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

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

RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000

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

The **Northern Ireland Office** will account for this Estimate.

† The functions of the Criminal Injuries Compensation Appeals Panel for Northern Ireland will transfer to the Northern Ireland Court Service on 1 December 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are: (a) the net resource requirement for RfR1 is reduced by £681,000; and (b) the net cash requirement is reduced by £681,000

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000	
					New Net Provision	
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending						
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
RfR 1 - A	Central Administration	35,297	9,838	289	9,549	44,846
RfR 1 - B	Ministers	3,285	-575	-	-575	2,710
RfR 1 - C	Political Directorate	8,736	32,649	70	32,579	41,315
RfR 1 - D	Department of the Director of Public Prosecutions	31,805	4,015	-11	4,026	35,831
RfR 1 - E	Forensic Science Northern Ireland	552	2,198	1,304	894	1,446
RfR 1 - F	Criminal Justice	24,108	6,902	-	6,902	31,010
RfR 1 - G	Compensation Agency	27,904	9,166	120	9,046	36,950
RfR 1 - H	Policing & Security	16,869	1,101	1,650	-549	16,320
RfR 1 - I	Policing- Non-Severance	2,260	-160	-	-160	2,100
RfR 1 - J	Northern Ireland Prison Service	133,773	-2,581	116	-2,697	131,076
RfR 1 - K	Youth Justice Agency	17,531	3,130	30	3,100	20,631
RfR 1 - L	Bloody Sunday	1,100	2,954	-	2,954	4,054
Non-Budget						
RfR 1 - M	Police	737,738	79,953	-	79,953	817,691
RfR 1 - O	Police Ombudsman for Northern Ireland	8,181	895	-	895	9,076
RfR 1 - P	Probation Board for Northern Ireland	14,315	1,327	-	1,327	15,642
RfR 1 - Q	Northern Ireland Policing Board	8,414	860	-	860	9,274
RfR 1 - R	Northern Ireland Human Rights Commission	1,561	185	-	185	1,746
RfR 1 - S	Criminal Justice Inspectorate	1,500	-194	-	-194	1,306
Total RfR 1			151,663	3,568	148,095	
Total Changes to RfRs			151,663	3,568	148,095	

			£000
	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	37,116	57,239	94,355
Non-Operating A in A	50	69,211	69,261
Net cash requirement	11,489,820	134,174	11,623,994

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RFR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending								
96,178	246,283	952,399	1,294,860	16,565	1,278,295	94,355	69,261	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Central Administration								
47,604	926	-	48,530	3,684	44,846	67,177	69,211	
B Ministers								
2,710	-	-	2,710	-	2,710	-	-	
C Political Directorate								
5,689	35,926	-	41,615	300	41,315	228	-	
D Department of the Director of Public Prosecutions								
2,242	33,664	-	35,906	75	35,831	318	-	
E Forensic Science Northern Ireland								
11,791	-	-	11,791	10,345	1,446	384	50	
F Criminal Justice								
5,673	22,137	3,200	31,010	-	31,010	5,155	-	
G Compensation Agency								
-	2,499	34,751	37,250	300	36,950	24	-	
H Policing & Security								
6,351	9,427	2,202	17,980	1,660	16,320	163	-	
I Policing- Non-Severance								
-	150	1,950	2,100	-	2,100	-	-	
J Northern Ireland Prison Service								
13,472	117,485	290	131,247	171	131,076	20,885	-	
K Youth Justice Agency								
-	20,661	-	20,661	30	20,631	21	-	
L Bloody Sunday								
646	3,408	-	4,054	-	4,054	-	-	
Non-Budget								
M Police								
-	-	817,691	817,691	-	817,691	-	-	
N Police Pensions								
-	-	55,271	55,271	-	55,271	-	-	
O Police Ombudsman for Northern Ireland								
-	-	9,076	9,076	-	9,076	-	-	
P Probation Board for Northern Ireland								
-	-	15,642	15,642	-	15,642	-	-	
Q Northern Ireland Policing Board								

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
-	-	9,274	9,274	-	9,274	-	-	
R Northern Ireland Human Rights Commission								
-	-	1,746	1,746	-	1,746	-	-	
S Criminal Justice Inspectorate								
-	-	1306	1,306	-	1,306	-	-	
RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000								
-	-	10,334,001	10,334,001	-	10,334,001	-	-	
Non-Budget								
A Grants to the Northern Ireland Consolidated Fund								
-	-	10,334,000	10,334,000	-	10,334,000	-	-	
B European Insitutions (Net)								
-	-	1	1	-	1	-	-	
Total for Estimate:								
96,178	246,283	11,286,400	11,628,861	16,565	11,612,296	94,355	69,261	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	11,464,201	148,095	11,612,296
Voted capital items			
Capital	37,116	57,239	94,355
<i>Less:</i> Non-operating A in A	<u>50</u>	<u>69,211</u>	<u>69,261</u>
Total net voted capital	37,066	-11,972	25,094
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-11,938	2,107	-9,831
Depreciation	-20,833	3,558	-17,275
New provisions and adjustments to previous provisions	-28,189	-8,071	-36,260
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-1,199	457	-742
Increase(+)/decrease (-) in stock	-13	-	-13
Increase(+)/decrease (-) in debtors	-1,799	-	-1,799
Increase(-)/decrease (+) in creditors	-200	-	-200
Use of provisions	<u>52,724</u>	<u>-</u>	<u>52,724</u>
Total accruals to cash adjustments	-11,447	-1,949	-13,396
Excess cash to be CFERd	-	-	-
Net Cash Requirement	11,489,820	134,174	11,623,994

Part III: Extra receipts payable to the Consolidated Fund

' As in existing provision'

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	81,869
RfR2	-
Total Net Administration Costs	81,869
Net Programme Costs	
RfR1	1,196,426
RfR2	10,334,001
Non-voted	-
Total Net Programme costs	11,530,427
Total Net Operating Cost	11,612,296
<i>of which:</i>	
Net Resource Requirement	11,612,296
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	1,579,370

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	11,612,296
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	11,612,296
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-10,521,130
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	301,075
unallocated resource provision	-
Other adjustments	187,129
Resource Budget (Budget)	1,579,370
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,342,928
Annually Managed Expenditure (AME)	236,442

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	25,094
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	46,809
capital grants	
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	71,903
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	71,903
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Jonathan Phillips, Permanent Secretary of the Northern Ireland Office

Request for Resources 2 Jonathan Phillips, Permanent Secretary of the Northern Ireland Office

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	
Administration	14,309
<i>of which:</i>	
Income from licences	40
Income from fees and charges	75
Recovery of Costs	14,023
Income from other sales	171
Programme	2,256
<i>of which:</i>	
Recovery of Costs	1,406
Income from fees and charges	850
Total RfR1	16,565 †

† Amount that may be appropriated in aid in addition to the net total arising from : recoupment of electoral expenses, shared accommodation costs, receipts from the sale of video conference facilities, certain pensions contributions, receipts from accruing superannuation liability charges, fees and costs recovered for work done for other departments, freedom of information receipts, data protection receipts; recovery of compensation paid, recoupment of grant funding, recovery of costs associated with supplying forensic science services, costs and fees awarded in favour of the Crown, receipts arising from arms decommissioning, proceeds of prison occupational services, sale of surplus stores and catering equipment, creche fees, contributions to community programmes from health and voluntary sectors, dividend interest and tuck shop receipts.

Total Operating A in A	16,565
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Analysis of non - operating appropriations in aid (A in A)

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

Programme	69,261
<i>of which:</i>	
Sale of assets	69,261
Total RfR1	69,261 †

† Amount that may be applied as non-operating appropriations in aid arising from: receipts from the sale of residential properties, surplus IT and office equipment.

Total Non-Operating A in A	69,261
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	65,069	136,855	368,289	974,639	1,342,928
<i>of which:</i>					
Administration budget †	8,045	-5,000	81,869	-	81,869
Near-cash in RDEL	63,120	5,874	304,181	713,406	1,017,587
Capital DEL ††	-11,972	11,962	25,094	46,809	71,903
Less Depreciation †††	3,558	-15,334	-17,275	-43,881	-61,156
Total DEL	56,655	133,483	376,108	977,567	1,353,675

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	85,826

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

RfR/Section	Body	£ '000
RfR1, Section J	Prison Service Trust	290

HM Treasury

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Transfers to/from Central Funds</u>		
A1	Draw down of near cash from the Financial Inclusion Fund to finance the Thoresen Review - an independent feasibility study to research and design a national approach to generic financial advice.	2,000,000	
	<u>Machinery of Government changes</u>		
A1	Transfer of near cash provision in respect of the transfer of the Prime Minister's Delivery Unit from the Cabinet Office to HM Treasury.	4,028,000	
		<u>Total</u>	<u>-</u>
Total change in resources for RfR1		6,028,000	6,028,000

RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
	<u>Take up of Departmental Unallocated Provision</u>		
A2	Take up of Departmental Unallocated Provision (£1,951,000 non cash and £6,540,000 near cash) to finance structural exits from the Office of Government Commerce. Transforming Government Procurement, published in January 2007, launched a new strategy and part of the redefined remit resulted in OGC becoming a smaller, higher calibre organisation. To achieve the reduction in numbers, a programme of structural exits was instigated. The non cash costs are for provisions for the future costs of new exits and the near cash costs are for in year costs of exits not previously provided for.	8,491,000	
		<u>Total</u>	<u>-</u>
Total change in resources for RfR3		8,491,000	8,491,000
Total change in resources for Estimate			14,519,000

Introduction (*continued*)

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £ 17,568,000.
3. Symbols are explained in the Introduction to this booklet.

HM Treasury

Part I

£

RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all	†	6,028,000
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage		-
RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis		8,491,000
Total additional net resource requirement		14,519,000
Additional net cash requirement	†	17,568,000

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

RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all

Economic, financial and related administration, including group shared services; grants in aid to four Parliamentary bodies; expenses in connection with honours and dignities; a grant in aid to the Statistics Commission and spending in connection with the establishment of the Statistics Board; expenditure of the Debt Management Office; payments under an indemnity guarantee in respect of Paymaster; expenditure on administration of Treasury related bodies; compensation payments arising from gilt administration; cost of capital charges on the Treasury's investment in the Bank of England; and associated non-cash items.

RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage

Manufacture, storage and distribution of coinage for use in the United Kingdom; actions to protect the integrity of coinage; and associated non-cash items.

RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis

Administration and other related costs of the Office of Government Commerce and OGC buying.solutions; management and disposal of surplus civil estate; costs and income from investment and loans to OGC buying.solutions; and associated non-cash items.

HM Treasury will account for this Estimate.

† The Prime Minister's Delivery Unit (PMDU) was transferred from the Cabinet Office on 28 June 2007. 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 £ 4,028,000; and
- b) the net cash requirement is increased by £ 4,028,000.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Core Treasury and group shared services	127,608	6,028	-	6,028	133,636
Total RfR 1		6,028	-	6,028	
RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis					
Spending in Departmental Expenditure Limits (DEL)					
RfR 3 - A Office of Government Commerce	27,137	8,491	-	8,491	35,628
Total RfR 3		8,491	-	8,491	
Total Changes to RfRs		14,519	-	14,519	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	7,200	-	7,200
Non-Operating A in A	-	-	-
Net cash requirement	228,964	17,568	246,532

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all								
148,813	94,112	4,655	247,580	11,035	236,545	7,125	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Core Treasury and group shared services								
135,628	4,408	-	140,036	6,400	133,636	5,125	-	
B Debt Management Office								
13,185	2,200	-	15,385	4,635	10,750	2,000	-	
C Parliament								
-	-	3,305	3,305	-	3,305	-	-	
D Statistics Commission and Statistics Board								
-	306	1,350	1,656	-	1,656	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
E Investment in Bank of England								
-	87,198	-	87,198	-	87,198	-	-	
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage								
-	52,000	-	52,000	-	52,000	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A UK coinage: manufacturing costs								
-	19,000	-	19,000	-	19,000	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B UK coinage: investment in the Royal Mint								
-	2,000	-	2,000	-	2,000	-	-	
C UK coinage: metal costs								
-	31,000	-	31,000	-	31,000	-	-	
RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis								
35,451	9,977	-	45,428	9,800	35,628	75	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Office of Government Commerce								
35,451	9,977	-	45,428	9,800	35,628	75	-	
Total for Estimate:								
184,264	156,089	4,655	345,008	20,835	324,173	7,200	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	309,654	14,519	324,173
Voted capital items			
Capital	7,200	-	7,200
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	7,200	-	7,200
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-88,897	-	-88,897
Depreciation	-9,539	-	-9,539
New provisions and adjustments to previous provisions	-572	-1,951	-2,523
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-60	-	-60
Increase(+)/decrease (-) in stock	-	5,000	5,000
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	11,178	-	11,178
Total accruals to cash adjustments	-87,890	3,049	-84,841
Excess cash to be CFERd	-	-	-
Net Cash Requirement	228,964	17,568	246,532

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	139,578
RfR2	-
RfR3	26,851
	<hr/>
Total Net Administration Costs	166,429
Net Programme Costs	
RfR1	33,919
RfR2	52,000
RfR3	8,777
Non-voted expenditure	24,479
	<hr/>
Total Net Programme costs	119,175
Total Net Operating Cost	285,604
<i>of which:</i>	
Net Resource Requirement	324,173
Non-voted expenditure	24,479
Consolidated Fund Extra Receipts	-63,048
Resource Budget	313,985

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	324,173
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	24,479
Consolidated Fund extra receipts in the OCS	-63,048
Other adjustments	-
Net Operating Costs (Accounts)	285,604
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	20,959
Resource consumption of non-departmental public bodies	-
unallocated resource provision	7,422
Other adjustments	-
Resource Budget (Budget)	313,985
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	231,787
Annually Managed Expenditure (AME)	82,198

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	7,200
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	7,200
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,200
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Nicholas Macpherson, Permanent Head of the Department
Request for Resources 2	Nicholas Macpherson, Permanent Head of the Department
Request for Resources 3	Nigel Smith, Chief Executive of the Office of Government Commerce

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

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all	
Administration	9,235
<i>of which:</i>	
Sale of goods and services	9,235
CFERs	-
Programme	1,800
<i>of which:</i>	
Sale of goods and services	1,800
EU income	63,048
Interest and dividends	-63,048
Total RfR1	11,035 †

† Amount that may be applied as appropriations in aid in addition to the net total, arising from; recoveries in respect of administration of the Treasury, including charges for courses, services provided by the Economics in Government team and officers loaned to other organisations, including the salary of the UK Executive Director of the International Monetary Fund/International Bank for Reconstruction and Development who is a Treasury employee; charges for services provided by the Government Social Research Unit; income from recovery actions in connection with Barlow Clowes; charges for services to government departments provided under the Financial Management Change agenda; income from fees charged to Foreign Investment Exchange/Clearing Houses; recoveries in respect of Honours and Dignities; income in respect of insurance sponsorship and supervision responsibilities; income due to the Debt Management Office for gilt issuance costs, provision of the Gilt Purchase and Sale Service, data provision, management and administration of certain public and private funds and provision of a lending service to local authorities; administration of Pool Re and other related bodies; European Fast Stream income from Cabinet Office; amounts arising from the sale of shares and debt.

RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis

Administration	8,600
<i>of which:</i>	
Sale of goods and services	8,600
CFERs	-
Programme	1,200
<i>of which:</i>	
Sale of goods and services	-
Interest and dividends	1,200
CFERs	-
Total RfR3	9,800 †

† Amount that may be applied as appropriations in aid in addition to the net total, arising from: income from consultancy and other customer services, hirings of vacant property, charges for users of Whitehall District Heating and Standby Systems, sales of surplus energy and the OGC buying solutions dividend.

Total Operating A in A	20,835
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	14,519	-8,491	203,975	27,812	231,787
<i>of which: †</i>					
Administration budget	6,028	-	166,429	7,422	173,851
Near-cash in RDEL	12,568	-8,491	192,154	38,990	231,144
Capital ††	-	-	7,200	-	7,200
Less Depreciation †††	-	-	-9,539	-	-9,539
Total	14,519	-8,491	201,636	27,812	229,448

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

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

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

Cash which may be retained to offset expenditure

£'000
20,835

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

Grants in aid

RfR/Section	Body		£'000
RfR1 - C	The Commonwealth Parliamentary Association	◆	1,808
RfR1 - C	The British-American Parliamentary Group	◆	101
RfR1 - C	The Inter-Parliamentary Union	◆	1,192
RfR1 - C	The British-Irish Parliamentary Union	◆	204
RfR 1 D	The Statistics Commission	◆	1,350

HM Revenue and Customs

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements			
<u>Section Reason for change</u>			
<u>Changes related to movements in budgets</u>			
<u>Increases</u>			
<u>Draw down of Modernisation Fund</u>			
A1	£44,500,000 administration costs, as agreed by Chief Secretary to modernise and transform HMRC made up of £28,260,000 non-cash and £16,240,000 near cash	44,500,000	
<u>DEL Reserve claims</u>			
A1	£30,000,000 administration near cash costs, as agreed as part of the CSR settlement to expand call centre capacity	30,000,000	
<u>Take up of Departmental Unallocated Provision</u>			
A1	£15,000,000 administration near cash costs draw down from the non voted Departmental Unallocated Provision relating to funding for Spend to Raise	15,000,000	
<u>End Year Flexibility (EYF) Take up</u>			
A1	£1,400,000 administration near cash costs in accordance with the Public Expenditure Outturn White Paper (CM 7156).	1,400,000	
<u>Transfers from Other Government Departments</u>			
A1	£1,587,000 administration near cash costs transferred from Cabinet Office in respect of Parliamentary Counsel Office funding	1,587,000	
<u>Decreases</u>			
<u>Transfers to Other Government Departments</u>			
A2	£1,000,000 programme near cash expenditure to the Serious Organised Crime Agency		-1,000,000
		<u>Total</u>	
Total change in resources for RfR1		92,487,000	-1,000,000
			91,487,000

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Increases</u>			
<u>Transfers of budgetary cover to other government departments</u>			
A5	£2,059,000 programme income relating to a Machinery of Government transfer to the Ministry of Defence in respect of CILOR costs	2,059,000	
<u>Decreases</u>			
<u>Transfers of budgetary cover to other government departments</u>			
A2	£2,059,000 programme expenditure relating to a Machinery of Government transfer to the Ministry of Defence in respect of CILOR costs		-2,058,000
		<u>Total</u>	<u>2,059,000</u>
Total change in resources for RfR4			1,000
Total change in resources for Estimate			91,488,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £63,228,000
3. Symbols are explained in the Introduction to this booklet.

HM Revenue and Customs

Part I

£

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements		91,487,000
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies	†	1,000
Total additional net resource requirement		91,488,000
Additional net cash requirement		63,228,000

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

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

administration and the associated non-cash items incurred in the management and collection of the direct and indirect taxes, duties and levies, Shipbuilders' Relief, new tax credits, National Insurance Contributions, Child Benefit and the Child Trust Fund, Money Laundering regulatory regime, the National Insurance Funds for Great Britain and Northern Ireland; OPG and government banking services; the operation of customs controls including prohibitions and restrictions; the provision of trade information; the provision of Capital Grants for Excise Tax Stamps; the provision of resources to independent investigatory bodies (including the HMIC, IPCC and the police authorities) to facilitate the independent inspection of professional standards within the Department, the investigation of allegations of mis-conduct or criminal activities by Departmental staff and fulfilment of reciprocal complaints investigation arrangements with police authorities; the provision of incentive payments for e-filing; payments in respect of the Customs National Museum; grants to the voluntary and community sector; providing the business link portal; air travel carbon-offsetting; and for services provided to the department's information technology and wider markets' partners, other departments and public bodies including any assistance with investigations into terrorist incidents, and overseas tax administration.

Part I (continued)

RfR 2: Growing a contribution to the good management of property where the public interest is involved

administration and the associated non-cash items incurred in the provision of valuation and other services for government departments and other public bodies by the Valuation Office Agency.

RfR 3: Providing payments in lieu of tax relief to certain bodies

transitional payments to charities, supplements on payroll giving, donations to charities and on personal and stakeholder pension schemes, life assurance premium relief, stamp duty relief and residual payments for mortgage interest relief, vocational training relief and private medical insurance; and associated non-cash items.

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

rates paid by Her Majesty's Revenue and Customs in respect of non-domestic property occupied by accredited representatives of Commonwealth and foreign countries and certain international organisations and associated non-cash items.

RfR 5: Payments of Child Benefit and Child Trust Fund endowments

payments of Child Benefit, Child Trust Funds and associated non-cash items.

HM Revenue and Customs will account for this Estimate.

† An element within RfR4 relating to contributions in lieu of rates (CILOR) was transferred to the Ministry of Defence (MoD) on 1st April 2007. Within the changes sought in this Estimate, the specific changes relating to this machinery of government transfer, which are cost neutral and have no effect on the net resource requirement or net cash requirement, are:

a) operating appropriations in aid are reduced by £2,059,000

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	4,055,422	91,487	-	91,487	4,146,909
Total RfR 1		91,487	-	91,487	
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies					
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 4 - A Payments of Local Authority rates	38,385	-2,058	-2,059	1	38,386
Total RfR 4		-2,058	-2,059	1	
Total Changes to RfRs		89,429	-2,059	91,488	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	267,951	-	267,951
Non-Operating A in A	3,980	-	3,980
Net cash requirement	15,122,469	63,228	15,185,697

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements								
4,444,606	125,374	200,435	4,770,415	423,505	4,346,910	258,780	3,818	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
4,444,606	121,874	435	4,566,915	420,006	4,146,909	258,780	3,818	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B e-filing incentive payments								
-	-	200,000	200,000	-	200,000	-	-	
Non-budget								
C Operational local clearance procedures								
-	3,500	-	3,500	3,499	1	-	-	
RfR 2: Growing a contribution to the good management of property where the public interest is involved								
214,975	265	-	215,240	215,239	1	9,171	162	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
214,975	-	-	214,975	215,239	-264	9,171	162	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B Revaluations								
-	265	-	265	-	265	-	-	
RfR 3: Providing payments in lieu of tax relief to certain bodies								
-	-	86,000	86,000	-	86,000	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A Payments in lieu of tax relief								
-	-	86,000	86,000	-	86,000	-	-	
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies								
-	40,625	-	40,625	2,239	38,386	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A Payments of Local Authority rates								
-	40,625	-	40,625	2,239	38,386	-	-	
RfR 5: Payments of Child Benefit and Child Trust Fund endowments								
-	-9,574	10,760,036	10,750,462	-	10,750,462	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A Children's benefits								
-	-9,574	10,520,036	10,510,462	-	10,510,462	-	-	
B Child Trust Fund Endowments								
-	-	240,000	240,000	-	240,000	-	-	
Total for Estimate:								
4,659,581	156,690	11,046,471	15,862,742	640,983	15,221,759	267,951	3,980	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	15,130,271	91,488	15,221,759
Voted capital items			
Capital	267,951	-	267,951
<i>Less:</i> Non-operating A in A	3,980	-	3,980
Total net voted capital	263,971	-	263,971
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-34,305	-	-34,305
Depreciation	-183,516	-	-183,516
New provisions and adjustments to previous provisions	-119,791	-28,260	-148,051
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-520	-	-520
Increase(+)/decrease (-) in stock	-500	-	-500
Increase(+)/decrease (-) in debtors	34,530	-	34,530
Increase(-)/decrease (+) in creditors	-1,819	-	-1,819
Use of provisions	34,148	-	34,148
Total accruals to cash adjustments	-271,773	-28,260	-300,033
Excess cash to be CFERd	-	-	-
Net Cash Requirement	15,122,469	63,228	15,185,697

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	4,396,797
RfR2	-264
RfR3	-
RfR4	-
RfR5	-
	<hr/>
Total Net Administration Costs	4,396,533
Net Programme Costs	
RfR1	-49,887
RfR2	265
RfR3	86,000
RfR4	38,386
RfR5	10,750,462
Non-voted	-
	<hr/>
Total Net Programme costs	10,825,226
Total Net Operating Cost	15,221,759
<i>of which:</i>	
Net Resource Requirement	15,221,759
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	30,228,774

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	15,221,759
<i>Adjustments to remove:</i>	
provision voted for earlier years	
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	15,221,759
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-240,000
European Union income related to capital grants	-
voted expenditure outside the budget	-1
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	45,074
Other adjustments	15,201,942
Resource Budget (Budget)	30,228,774
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	4,539,658
Annually Managed Expenditure (AME)	25,689,116

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	263,971
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	240,000
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	3,739
Other adjustments	-
Capital Budget (Budget)	507,710
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	267,710
Annually Managed Expenditure (AME)	240,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Mike Eland, Director General, HM Revenue and Customs
Request for Resources 2	Andrew Hudson, Chief Executive of the Valuation Office Agency
Request for Resources 3	David Hartnett, Director General, HM Revenue and Customs
Request for Resources 4	Andrew Hudson, Chief Executive of the Valuation Office Agency
Request for Resources 5	Mike Eland, Director General, HM Revenue and Customs

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

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Administration	47,809
<i>of which:</i>	
Sale of goods and services	29,050
Regulatory licences, fines, penalties and taxes	18,759
Programme	375,696
<i>of which:</i>	
Sale of goods and services	375,561
Regulatory licences, fines, penalties and taxes	135
Total RfR1	423,505 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of law costs; recovery of costs of administering the National Insurance Funds and collection of National Insurance contributions; subsidies for New Deal jobseekers employed; receipts for services provided to the Valuation Office Agency, government departments and other bodies; 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; student loan receipts;

receipts from the sale of publications; from the sale of statistical services and certificates; and from estate management services, including rent receipts from other government departments and private tenants; receipts from the use of certain official cars; receipts from certain tax penalties; EC travelling expenses and receipts from the EC; receipts in respect of Shipbuilders' Relief and local clearance procedures under Single European Authorisations; receipts from insurance and compensation claims; receipts from the Asset Recovery Incentivisation Scheme; and marine fuel relief; fees received for the money laundering regulatory regime; recoveries of overpayments in prior years; excess cash receipts; subscription fees relating to Business Link; and other miscellaneous administration and programme cost receipts.

RfR 2: Growing a contribution to the good management of property where the public interest is involved

Administration	215,239
<i>of which:</i>	
Sale of goods and services	215,239
Total RfR2	215,239 †

† 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	2,239
<i>of which:</i>	
Sale of goods and services	2,239
Total RfR4	2,239 †

† 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	640,983
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Analysis of non - operating appropriations in aid (A in A)

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Administration	-
<i>of which:</i>	
Sale of assets	
Programme	3,818
<i>of which:</i>	
Sale of assets	3,818
Total RfR1	3,818 †

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

RfR 2: Growing a contribution to the good management of property where the public interest is involved

Administration	-
<i>of which:</i>	
Sale of assets	-
Programme	162
<i>of which:</i>	
Sale of assets	162
Total RfR2	162 †

† Amount that may be applied as non-operating appropriations in aid arising from: the recovery of income from the sale of assets.

Total Non-Operating A in A	3,980
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	91,487	-15,000	4,146,645	393,013	4,539,658
<i>of which:</i>					
<i>Administration budget †</i>	92,487	-15,000	4,396,533	45,074	4,441,607
<i>Near-cash in RDEL</i>	63,227	-15,000	3,770,975	427,161	4,198,136
Capital DEL ††	-	-	263,971	3,739	267,710
Less Depreciation †††	-	-	-183,251	-	-183,251
Total DEL	91,487	-15,000	4,227,365	396,752	4,624,117

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	644,963

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1/ A2	Capital Grants for Tax Stamps	353

National Savings and Investments

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
A1	<u>Take up of Departmental Unallocated Provision</u> Administration, near cash, for spending on NS & I's administration costs and supporting planned project work.	5,000,000	
<u>Other changes</u>			
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>	700,000	-700,000
A1	Administration, near cash, spending to support planned project work, offset by increased income from third party rent receipts.		
		<u>Total</u>	
Total change in resources for RfR1		5,700,000	-700,000
			5,000,000
Total change in resources for Estimate			5,000,000

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

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

National Savings and Investments

Part I

£

RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future 5,000,000

Total additional net resource requirement 5,000,000

Additional net cash requirement 5,000,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by National Savings and Investments on:

RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future

Administration and operational costs, research and development works, equipment and other payments, and associated non-cash items.

National Savings and Investments will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	165,294	5,700	700	5,000	170,294
Total RfR 1		5,700	700	5,000	
Total Changes to RfRs		5,700	700	5,000	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	500	-	500
Non-Operating A in A	-	-	-
Net cash requirement	162,672	5,000	167,672

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future								
176,040	-	-	176,040	5,746	170,294	500	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
176,040	-	-	176,040	5,746	170,294	500	-	
Total for Estimate:								
176,040	-	-	176,040	5,746	170,294	500	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	165,294	5,000	170,294
Voted capital items			
Capital	500	-	500
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	500	-	500
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-1,132	-	-1,132
Depreciation	-3,090	-	-3,090
New provisions and adjustments to previous provisions	-900	-	-900
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-500	-	-500
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-400	-	-400
Increase(-)/decrease (+) in creditors	2,000	-	2,000
Use of provisions	900	-	900
Total accruals to cash adjustments	-3,122	-	-3,122
Excess cash to be CFERd	-	-	-
Net Cash Requirement	162,672	5,000	167,672

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	170,294
Total Net Administration Costs	170,294
Net Programme Costs	
RfR1	-
Total Net Programme costs	-
Total Net Operating Cost	170,294
<i>of which:</i>	
Net Resource Requirement	170,294
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	170,294

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	170,294
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	170,294
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	170,294
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	170,294
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	500
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	500
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	500
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Jane Platt, Permanent Head of the Department
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Jane Platt as the Accounting Officer of National Savings and Investments has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of National Savings and Investments.

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future	
Administration	5,746
<i>of which:</i>	
Sale of goods and services	5,746
Total RfR1	5,746 †
Total Operating A in A	5,746

† Amount that may be applied as appropriation in aid in addition to the net total, arising from: rent receipts.

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	5,000	-5,000	170,294	-	170,294
<i>of which:</i>					
<i>Administration budget*</i>	5,000	-5,000	170,294	-	170,294
<i>Near-cash in RDEL</i>	5,000	-5,000	164,672	900	165,572
Capital**	-	-	500	-	500
Less Depreciation†	-	-	-3,090	-	-3,090
Total	5,000	-5,000	167,704	-	167,704

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

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

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

Cash which may be retained to offset expenditure

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

£'000
5,746

Office for National Statistics

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Providing statistical and registration services			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL End-Year Flexibility</u>	777,000	
A1	Near cash, administration. Take up of Invest to Save (ISB) for the Quality Measurement Framework Project.		
	<u>Transfers of budgetary cover to/from other government departments</u>	164,000	
A1	Near cash, administration. Transfer from the Cabinet Office in respect of Civil Service statistics.		
	<u>Changes in operating appropriations-in-aid (not offset by changes in spending)</u>		
A1	To increase level of appropriation in aid receipts by £12,337,000 in respect of the recovery of costs on shared projects and surveys from other government departments and to reflect increased demand for certificate sales and surveys, matched by increased operating costs expenditure of £12,337,000.	12,337,000	-12,337,000
	<u>Other changes</u>		
	<u>Programme expenditure</u>		
A2	near cash, programme to administration. To reflect the reclassification of EU expenditure to admin by £550,000	-	-
		<u>Total</u>	
Total change in resources for RfR1		13,278,000	-12,337,000
Total change in resources for Estimate			941,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £ 3,913,000.

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

Office for National Statistics

Part I

£

RfR 1: Providing statistical and registration services	941,000
Total additional net resource requirement	941,000
Additional net cash requirement	3,913,000

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

RfR 1: Providing statistical and registration services

collection, preparation and dissemination of economic, social, labour market and other statistics; register services, departmental administration and associated non-cash items.

The Office for National Statistics will account for this Estimate.

Part II: Changes proposed

Resources					£'000
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Providing statistical and registration services					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	161,563	13,278	12,337	941	162,504
Total RfR 1		13,278	12,337	941	
Total Changes to RfRs		13,278	12,337	941	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	27,830	-	27,830
Non-Operating A in A	250	-	250
Net cash requirement	164,200	3,913	168,113

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Providing statistical and registration services								
211,052	-	-	211,052	48,548	162,504	27,830	250	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
211,052	-	-	211,052	48,548	162,504	27,830	250	
Total for Estimate:								
211,052	-	-	211,052	48,548	162,504	27,830	250	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000 Revised</u>
Net Resource Requirement	161,563	941	162,504
Voted capital items			
Capital	27,830	-	27,830
<i>Less:</i> Non-operating A in A	250	-	250
Total net voted capital	27,580	-	27,580
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,300	-	-3,300
Depreciation	-21,933	-	-21,933
New provisions and adjustments to previous provisions	-	-3,750	-3,750
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-32	-35	-67
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-119	2,391	2,272
Increase(-)/decrease (+) in creditors	-	-4,865	-4,865
Use of provisions	441	9,231	9,672
Total accruals to cash adjustments	-24,943	2,972	-21,971
Excess cash to be CFERd	-	-	-
Net Cash Requirement	164,200	3,913	168,113

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	162,504
Total Net Administration Costs	162,504
Net Programme Costs	
RfR1	-
Total Net Programme costs	-
Total Net Operating Cost	162,504
<i>of which:</i>	
Net Resource Requirement	162,504
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	169,531

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	162,504
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	162,504
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	7,027
Other adjustments	-
Resource Budget (Budget)	169,531
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	169,531
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	27,580
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	27,580
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	27,580
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Karen Dunnell, Director of the Office for National Statistics

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Providing statistical and registration services	
Administration	48,548
<i>of which:</i>	
Sale of goods and services	48,548
Programme	-
<i>of which:</i>	
Sale of goods and services	-
EU income	-
Total RfR1	48,548 †
<i>† Amount that may be applied as appropriation in aid in addition to the net total, arising from: sale of statistical information publications and other services to other departments, the European Union and the public.</i>	
Total Operating A in A	48,548

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

RfR 1: Providing statistical and registration services	
Programme	250
<i>of which:</i>	
Sale of assets	250
Total RfR1	250 †
	Check total = figs in Part II table
	250
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: recovery of income from the sale of surplus assets.</i>	
Total Non - operating A in A	250

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	941	-	162,504	7,027	169,531
<i>of which:</i>					
<i>Administration budget †</i>	1,491	-	162,504	7,027	169,531
<i>Near-cash in RDEL</i>	-2,844	9,231	133,454	16,699	150,153
Capital DEL ††	-	-	27,580	-	27,580
Less Depreciation †††	-	-	-21,933	-	-21,933
Total	941	-	168,151	7,027	175,178

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

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

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

Cash which may be retained to offset expenditure

£'000
48,798

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

Cabinet Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives			
<u>Section</u>	<u>Reason for change</u>		
	<u>DEL Reserve claims</u>		
A2	Drawdown from Reserve to provide budgetary cover for BBC Monitoring Adjustment to increase Programme Budget £5,000,000 RFR Subhead A2	5,000,000	
B3	Drawdown from Reserve to cover the VAT reimbursement for funds raised from the sale of a TOG Calendar for BBC Children in Need Adjustment to increase Grants £299,000 RFR Subhead B3	299,000	
B3	Drawdown from Reserve to cover V Matched Funding for Office of the Third Sector Adjustment to increase Grants £3,301,000 RFR Subhead B3	3,301,000	
B3	Drawdown from Reserve to cover the Invest to Save Budget for Office of the Third Sector Adjustment to increase Grants £399,000 RFR Subhead B3	399,000	
<u>Take up of DEL End Year Flexibility</u>			
A1:A7	Resource End Year Flexibility drawdown and vire to Capital to cover various capital costs Adjustment will only affect Capital DEL and not RDEL £3,679,000 RFR Subhead A1:A7		

Machinery of Government changes**MOGS IN**

A1	Transfer of Lord President of the Council and Leader of the House of Lords and the Leader and Deputy Leader of the House of Commons, and the Offices of the Government Whips in the House of Commons and the House of Lords from the Privy Council Office. Adjustment to increase Administration Budget £4,553,000 RFR Subhead A1	4,553,000
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MOGS OUT

A1	Transfer of the Better Regulation Executive (BRE) to the new Department for Business, Enterprise and Regulatory Reform (DBERR) Adjustment to decrease Administration Costs £11,429,000 RFR Subhead A1	-11,429,000
A1	Transfer of Prime Minister's Delivery Unit (PMDU) to HM Treasury (HMT) Adjustment to decrease Administration Costs £4,028,000 RFR Subhead A1	-4,028,000

Transfers of budgetary cover to/from other government departments

A1	Transfer to 14 Government Departments to fund the Parliamentary Counsel Office Adjustment to decrease Administration Costs £8,389,000 RFR Subhead A1	-8,389,000
A2	Transfer from Security & Intelligence Agencies to provide budgetary cover for BBC Monitoring Adjustment to increase Programme Costs £3,647,000 RFR Subhead A2	3,647,000
A1	Transfer from Deputy Prime Minister's Office (DPMO) to return the cover provided prior to the Office being disbanded Adjustment to increase Administration Costs £1,233,000 RFR Subhead A1	1,233,000
A1	Transfer of Administration cost to Home Office Adjustment to decrease Administration Costs £104,000 RFR Subhead A1	-104,000
A1	Transfer of Administration cost to Office of National Statistics (ONS) Adjustment to decrease Administration Costs £164,000 RFR Subhead A1	-164,000

B1	Transfer of Administration cost from Office of the Third Sector to Department for Communities and Local Government (DCLG) Adjustment to decrease Administration Costs £764,000 RFR Subhead B1	-764,000
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Transfers from resource spending to capital spending (not capital grants)

A1:A2: A7	Transfers from Resource to Capital Adjustment to decrease from Administration £450,000 and from other current £3,700,000 £4,150,000 RFR Subheads A1:A2:A7	 -4,150,000
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Resource transfers within the Request for Resources

B2:B3	Reclassification of Programme costs from other current to Grants for Office of the Third Sector MV Funding Adjustment to decrease programme cost and increase grant costs £15,000,000 RFR Subhead B2:B3	
A2:A3	Reclassification of Programme costs from other current to Grants for Cabinet Office Adjustment to decrease programme cost and increase grant costs £558,000 RFR Subhead A2:A3	

Changes in voted spending

B3:F3	Transfer from the Office of the Third Sector (OTS) voted budget for grants to non- voted grant in aid awarded to newly created ENDPB Commission for the Compact Ltd Adjustment to decrease voted grants in OTS and increase non voted grant costs £1,430,000 RFR Subhead B3:F3	
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Changes in non-budget and non voted spending

B3:F3	Transfer from the OTS voted budget for grants to non- voted grant in aid awarded to newly created ENDPB Commission for the Compact Ltd Adjustment to decrease voted grants in OTS and increase non-voted grant costs £1,430,000 RFR Subhead B3:F3	
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Changes in operating appropriations-in-aid (fully offset by changes in spending)

Increase in income offset by expenditure

A1:A5	Accommodation Income from minor occupiers and other accommodation income Adjustments to Administration Costs and Appropriations in Aid £141,000 RFR Subheads A1:A5	
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- A1:A5 Additional Income from the Civil Service Superannuation Vote relating to central management of Pensions Schemes
Adjustments to Administration Costs and Appropriations in Aid
£752,000
RFR Subheads A1:A5
- A1:A5 Additional income relating to recoveries of staff costs from various units in the Cabinet Office
Adjustments to Administration Costs and Appropriations in Aid
£785,000
RFR Subheads A1:A5
- A1:A5 Additional income from Sector Skills Agency to fund Government Skills
Adjustments to Administration Costs and Appropriations in Aid
£1,150,000
RFR Subheads A1:A5
- A1:A5 Additional income for various management units offset by expenditure
Adjustments to Administration Costs and Appropriations in Aid
£641,000
RFR Subheads A1:A5
- A2:A5 Income for Strategy Unit for the development of a Code of Practice
Adjustments to Programme costs and Appropriations in Aid
£15,000
RFR Subheads A2:A5
- A1:A5 Additional income from Other Government Departments for cost sharing arrangements
Adjustments to Administration Costs and Appropriations in Aid
£148,000
RFR Subheads A1:A5
- A2:A5 Additional income from Other Government Departments for cost sharing arrangements
Adjustments to Programme Costs and Appropriations in Aid
£1,300,000
RFR Subheads A2:A5
- B2:B5 Additional income to Office of the Third Sector for Volunteering Health
Adjustments to Programme Costs and Appropriations in Aid
£65,000
RFR Subheads B2:B5
- B2:B5 Interest Income arising on funds held on trust for the Cabinet Office by The Charity Bank Ltd for use in the Futurebuilders programme - interest income will offset Cost of Capital on the funds held.
Adjustments to Programme Costs and Appropriations in Aid
£5,000,000
RFR Subheads B2:B5
- A3:A5 Other Grant Income for use in funding grants expenditure programmes
Adjustments to Programme Costs and Appropriations in Aid
£4,394,000
RFR Subheads A3:A5

Decrease in income offset by expenditure

- A1:A5 Adjustment to decrease the contributions for Senior Development Activity an activity to develop senior members of the Civil Service
Adjustments to Administration Costs and Appropriations in Aid
£1,975,000
RFR Subheads A1:A5
- A1:A5 Adjustment to decrease income received from training courses and rent for Emergency planning college
Adjustments to Administration Costs and Appropriations in Aid
£150,000
RFR Subheads A1:A5
- A2:A5 Adjustment to decrease income received for Direct GOV the responsibility has been transferred to Central Office of Information
Adjustments to Programme Costs and Appropriations in Aid
£11,300,000
RFR Subheads A2:A5
- A2:A5 Adjustment to decrease other programme income
Adjustments to Programme Costs and Appropriations in Aid
£2,186,000
RFR Subheads A2:A5

	<u>Total</u>	18,432,000	-29,028,000
Total change in resources for RFR1			-10,596,000
Total change in resources for Estimate			-10,596,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Machinery of Government Changes</u>			
A7	Transfer of Lord President of the Council and Leader of the House of Lords and the Leader and Deputy Leader of the House of Commons, and the Offices of the Government Whips in the House of Commons and the House of Lords from the Privy Council Office. Adjustments to Capital £40,000 RFR Subheads A7	40,000	
<u>Take up of End Year Flexibility</u>			
A7	Drawdown End Year Flexibility (EYF) Adjustments to Capital £22,143,000 RFR Subheads A7	22,143,000	

A7	Drawdown Resource End Year Flexibility (EYF) and vire to Capital Adjustments to Capital £3,679,000 RFR Subheads A7	3,679,000	
	<u>Transfers from resource spending to capital spending (not capital grants)</u>		
A7	Transfer of Resource to Capital Adjustments to Capital £4,150,000 RFR Subheads A1:A2:A7	4,150,000	
		<u>Total</u>	<u>30,012,000</u>
	Total change in capital for Estimate		30,012,000

2. As a result of the above and non-cash adjustments, there is a decrease in the net cash requirement of £2,938,000

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

Cabinet Office

Part I

	£
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives †	-10,596,000
Total additional net resource requirement	-10,596,000
Additional net cash requirement †	-2,938,000

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

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

The Prime Minister's Office; the Offices of the Chancellor of the Duchy of Lancaster and Ministers in the Cabinet Office and the Secretary of the Cabinet and Head of the Home Civil Service; Parliamentary Counsel Office; Government Communication; Civil Service Capabilities Group; Transformational Government; Economic and Domestic Secretariat; European Secretariat; Security, Intelligence and Resilience; Defence and Overseas Secretariat; Office of the Third Sector; Social Exclusion Task Force; Strategy Unit; Ceremonial Secretariat; Lord President of the Council and the Leader of the House of Lords and the Leader and Deputy Leader of the House of Commons and the Offices of the Government Whips in the House of Commons and the House of Lords; and various other units; payments to former Prime Ministers; the central management of, and delivery of services to, the Civil Service and wider public sector; improving public services; civil service reform; cross-departmental IT systems; co-ordination of cross-cutting issues; grants in aid to not-for-profit organisations including the Civil Service Benevolent Fund, Civil Service Sports Council, Civil Service Retirement Fellowship, and Capacity Builders (UK) Limited, and Commission for the Compact Limited, Executive NDPB's; grants to organisations working in the Third Sector and to Local Authorities and other organisations including Chequers Trust, Disability Partnership and the Whitehall and Industry Group; and associated non-cash items.

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

† The transfer of the Prime Minister's Delivery Unit (PMDU) to HM Treasury was announced on 28 June 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government change are:

- a) the net resource requirement is decreased by £ 4,028,000
- b) the net cash requirement is decreased by £ 4,028,000

† The transfer of the Better Regulation Executive (BRE) to the Department for Business, Enterprise and Regulatory Reform was announced on 28 June 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government change are:

- a) the net resource requirement is decreased by £ 11,429,000
- b) the net cash requirement is decreased by £ 11,429,000

Part I (continued)

† The transfer of the Lord President of the Council and the Leader of the House of Lords and the Leader and Deputy Leader of the House of Commons, and the offices of the Government Whips in the House of Commons and the House of Lords was announced on 1 April 2007 from the Privy Council Office. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government change are:

- a) the net resource requirement is increased by £ 4,553,000
- b) the net cash requirement is increased by £ 4,546,000.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Cabinet Office	231,764	-21,116	-6,285	-14,831	216,933
RfR 1 - B Office of the Third Sector	118,663	7,870	5,065	2,805	121,468
Non-Budget					
RfR 1 - F ENDPB's	33,298	1,430	-	1,430	34,728
Total RfR 1		-11,816	-1,220	-10,596	
Total Changes to RfRs		-11,816	-1,220	-10,596	

Capital and Cash	Present Provision	Change in Provision	£000 New Provision
Total Capital Expenditure	7,226	30,012	37,238
Non-Operating A in A	21	-	21
Net cash requirement	360,279	-2,938	357,341

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RFR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives								
251,984	73,372	166,618	491,974	104,635	387,339	37,238	21	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Cabinet Office								
247,350	62,712	6,441	316,503	99,570	216,933	37,209	21	
B Office of the Third Sector								
3,754	10,660	112,119	126,533	5,065	121,468	29	-	
C Social Exclusion Task Force								
880	-	-	880	-	880	-	-	
<i>Support for Local Authorities</i>								
D London Fire and Emergency Planning Authority								
-	-	606	606	-	606	-	-	
E Security								
-	-	12,724	12,724	-	12,724	-	-	
Non-Budget								
F ENDPB's								
-	-	34,728	34,728	-	34,728	-	-	
Total for Estimate:								
251,984	73,372	166,618	491,974	104,635	387,339	37,238	21	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	397,935	-10,596	387,339
Voted capital items			
Capital	7,226	30,012	37,238
<i>Less:</i> Non-operating A in A	21	-	21
Total net voted capital	7,205	30,012	37,217
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-9,275	-6	-9,281
Depreciation	-36,336	-22	-36,358
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-226	-226
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-25,100	-25,100
Increase(-)/decrease (+) in creditors	-	3,000	3,000
Use of provisions	750	-	750
Total accruals to cash adjustments	-44,861	-22,354	-67,215
Excess cash to be CFERd	-	-	-
Net Cash Requirement	360,279	-2,938	357,341

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	217,058
Total Net Administration Costs	217,058
Net Programme Costs	
RfR1	170,281
Non-voted	-
Total Net Programme costs	170,281
Total Net Operating Cost	387,339
<i>of which:</i>	
Net Resource Requirement	387,339
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	355,986

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08
	Provision
Net Resource Requirement (Estimates)	387,339
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	387,339
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-41,652
European Union income related to capital grants	-
voted expenditure outside the budget	-34,728
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	37,917
unallocated resource provision	-
Other adjustments	7,110
Resource Budget (Budget)	355,986
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	355,986
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08
	Provision
Net Voted Capital (Estimates)	37,217
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	100
capital grants	41,652
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	78,969
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	78,969
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Sir Gus O' Donnell, Permanent Head of the Department

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

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	
Administration	34,926
<i>of which:</i>	
Sale of goods and services	29,965
Other Rentals	3,094
Recovery of Seconded Costs	1,867
Programme	69,709
<i>of which:</i>	
Sale of goods and services	53,518
Interest receivable private sector other	5,000
Other grant income (including repayments of grants/subsidies)	11,191
Total RfR1	104,635 †
<i>† Amount that may be applied as appropriations-in-aid in addition to the net total, arising from: income from minor occupiers of the Department's buildings and other accommodation income; sales of goods and services to other government departments, public bodies and general public; income in respect of central management costs of the Principal Civil Service Pensions Scheme (PCSPS); recovery of costs of staff on secondment and on loan; Emergency Planning College receipts for training courses and rent; recovery of costs from other government departments for cost sharing arrangements; recoveries in respect of Honours and Dignities; other grant income; interest receivable from the private sector and certain other services.</i>	
Total Operating A in A	104,635

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

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	
Programme	21
<i>of which:</i>	
Loan principal repayments	21
Total RfR1	21 †
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: repayment of loan principal by the Civil Service Sports Council and the London Hostels Association; proceeds from the sale of fixed assets</i>	
Total Non - operating A in A	21

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-12,026	4,669	310,959	45,027	355,986
<i>of which: †</i>					
Administration budget	-19,542	-	217,058	-	217,058
Near-cash in RDEL	-11,530	3,919	263,844	45,027	310,871
Capital ††	30,012	50	78,869	100	78,969
Less Depreciation †††	-22	-	-36,358	-	-36,358
Total	17,964	4,719	353,470	45,127	398,597

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

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

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	104,656

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	6,441
RfR1 - B	Grants made by the Office of the Third Sector	112,119
RfR1 - D	Grants to Local Authorities: London Fire and Emergency Planning Authority	606
RfR1 - E	Grants to Local Authorities for security purposes	12,724
RfR1 - F	Grants in aid to ENDPB's	34,728
	TOTAL	166,626

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1 - A	Civil Service Benevolent Fund	500
RfR1 - A	Civil Service Sports Council	1,332
RfR1 - A	Civil Service Retirement Fellowship	265
RfR1 - A	Chequers Trust	950
RfR1 - B	Community Service Volunteers (CSV)	1,025
RfR1 - B	BTCV	308
RfR1 - B	Mentoring and Befriending Foundation (MBF)	1,025
RfR1 - B	TimeBank	513
RfR1 - B	Volunteering England	1,538
RfR1 - B	Association of Charitable Foundations	123
RfR1 - B	Beacon Fellowship Trust	92
RfR1 - B	Institute of Fundraising	256
RfR1 - B	Citizenship Foundation	205
RfR1 - B	Community Foundation Network	205
RfR1 - B	British Youth Council	92
RfR1 - B	National Youth Agency	308
RfR1 - B	Youth Action Network	154
RfR1 - B	YouthNet	461
RfR1 - B	Women's Royal Voluntary Service	1,000
RfR1 - F	Capacity Builders UK Ltd - ENDPB	33,298
RfR1 - F	Commission for the Compact Ltd - ENDPB	1,430
	Total	45,080

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>Take up of DEL End-Year Flexibility</u>	87,200,000	
A	£62,100,000 in Administration and £25,100,000 in Programme to cover the expansion and capability of the SIA.		
	<u>DEL Reserve Claim</u>	15,000,000	
A	£15,000,000 Programme to cover the expansion and capability of the SIA		
	<u>Take up of DUP</u>	15,500,000	
A	£5,000,000 Administration; £10,500,000 Programme to cover the expansion and capability of the SIA.		
	<u>Transfer of Budgetary cover from the Foreign and Commonwealth Office</u>	8,300,000	
A	<u>Transfer to budgetary cover to MOD</u> to cover joint project costs		-42,525,000
A	<u>Other DEL changes</u> Transfer £2,000,000 from Administration DEL Budget to AME Budget to cover impairments as per changes to Consolidated Budgeting Guidance		-2,000,000
A	Transfer of £4,681,000 Programme DEL Budget to AME Budget to cover impairments as per changes to the Consolidated Budgeting Guidance		-4,681,000
<u>Other changes</u>			
<u>Changes in Appropriations in Aid (not offset by changes in spending)</u>			
A	Reduction in Administration expenditure of £ 21,365,000 partially offset by a decrease in admin appropriations -in-aid of £ 21,246,000.	21,246,000	-21,365,000
A	Balance of reduction is to cover increase in Programme expenditure of £119,000.	119,000	
A	Increase in Programme Expenditure of £7,838,000 partially offset by an increase in Programme Income of £7,719,000,	7,838,000	-7,719,000
A	The balance of £119,000 is covered by Administration Appropriations-in-Aid		-119,000

A	Changes in operating appropriations in aid (not offset by changes in spending).	600,000	
A	<u>Decrease in expenditure not offset by changes in spending</u>		-25,000
A	Correction of classification from programme to administration	92,000	-92,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
B	Counterpart to DEL changes above	2,000,000	
		4,681,000	
		<u>Total</u>	<u>162,576,000</u>
Total change in resources for RfR1			-78,526,000
			84,050,000
Total change in resources for Estimate			84,050,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
A	<u>Drawdown of Capital DUP</u> £8,000,000	8,000,000	
	<u>Drawdown of capital EYF</u> £15,400,000	15,400,000	
A	<u>Increase in Non Operating Appropriations-in-Aid offset by an increase in capital expenditure</u>	6,559,000	-6,559,000
A	Changes in operating A in A (not offset by changes in spending)		-25,000
		<u>Total</u>	<u>29,959,000</u>
Total change in capital for Estimate			-6,584,000
			23,375,000

- As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £ 97,651,000.
- Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Protecting and promoting the national security and economic well being of the UK	84,050,000
Total additional net resource requirement	84,050,000
Additional net cash requirement	97,651,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Security and Intelligence Agencies on:

RfR 1: Protecting and promoting the national security and economic well being of the UK

Administration and operational costs, research and development works, equipment and other payments, and associated non-cash items.

The **Security and Intelligence Agencies** will account for this Estimate.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Protecting and promoting the national security and economic well being of the UK					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Security and Intelligence Agencies	1,466,703	63,242	-14,127	77,369	1,544,072
Annually Managed Expenditure (AME)					
RfR1 - B Impairments	-	6,681	-	6,681	6,681
Total RfR 1		69,923	-14,127	84,050	
Total Changes to RfRs		69,923	-14,127	84,050	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	266,590	29,959	296,549
Non-Operating A in A	296	6,584	6,880
Net cash requirement	1,520,714	97,651	1,618,365

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Protecting and promoting the national security and economic well being of the UK								
939,766	686,628	-	1,626,394	75,641	1,550,753	296,549	6,880	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Security and Intelligence Agencies								
937,766	681,947	-	1,619,713	75,641	1,544,072	296,549	6,880	
Annually Managed Expenditure (AME)								
B Impairments								
2,000	4,681	-	6,681	-	6,681	-	-	
Total for Estimate:								
939,766	686,628	-	1,626,394	75,641	1,550,753	296,549	6,880	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000 Revised</u>
Net Resource Requirement	1,466,703	84,050	1,550,753
Voted capital items			
Capital	266,590	29,959	296,549
<i>Less:</i> Non-operating A in A	296	6,584	6,880
Total net voted capital	266,294	23,375	289,669
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-32,105	2,922	-29,183
Depreciation	-160,313	-8,574	-168,887
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-45,897	-4,122	-50,019
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	26,032	-	26,032
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-212,283	-9,774	-222,057
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,520,714	97,651	1,618,365

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-87 provision
Net Administration Costs	
RfR1	891,633
Total Net Administration Costs	891,633
Net Programme Costs	
RfR1	659,120
Total Net Programme costs	659,120
Total Net Operating Cost	1,550,753
<i>of which:</i>	
Net Resource Requirement	1,550,753
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	1,550,753

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	1,550,753
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	1,550,753
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	1,550,753
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,544,072
Annually Managed Expenditure (AME)	6,681

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	289,669
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	289,669
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	289,669
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Sir Richard Mottram, Co-ordinator of the Security and Intelligence Committee
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Sir Richard Mottram as the Accounting Officer of the Security and Intelligence Agencies has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Security and Intelligence Agencies.

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Protecting and promoting the national security and economic well being of the UK	
Administration	48,133
<i>of which:</i>	
Sale of goods and services	48,133
Programme	27,508
<i>of which:</i>	
Sale of goods and services	27,508
Total RfR1	75,641 †
<i>† Amount that may be applied as appropriation 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	75,641

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

RfR 1: Protecting and promoting the national security and economic well being of the UK	
Programme	6,880
<i>of which:</i>	
Sale of assets	6,880
Total RfR1	6,880 †
<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	6,880

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	77,369	-15,500	1,544,072	-	1,544,072
<i>of which:</i>					
<i>Administration budget †</i>	70,139	-5,000	889,633	-	889,633
<i>Near-cash in RDEL</i>	67,595	-15,500	1,295,983	-	1,295,983
Capital DEL ††	23,375	-8,000	289,669	-	289,669
Less Depreciation †††	-8,574	-	-168,887	-	-168,887
Total	92,170	-23,500	1,664,854	-	1,664,854

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

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

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

Cash which may be retained to offset expenditure

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

£'000
82,521

National School of 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: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
A1	<u>Take up of DEL End-Year Flexibility</u>	1,002,000	
	This represents part of the Investment Funding that departments paid for the year starting September 2006. Not all the funding could be used in 2006/07 and the unspent element is required to fund planned Investment Funding Projects in 2007/08. We do not anticipate a similar underspend at the end of 2007/08.		
A1	<u>Transfers from resource spending to capital spending (not capital grants)</u>		-200,000
	The National School needs to maintain the ICT infrastructure. There were no available funds in 2006/07 for this work to take place, which is now essential for 2007/08.		
		<u>Total</u>	
Total change in resources for RfR1		1,002,000	-200,000
Total change in resources for Estimate			802,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
A1	<u>Take up of End Year Flexibility</u>	201,000	
	In the financial settlement relating to the machinery of government change when the National School was separated from the Cabinet Office, the only transfer of Voted Capital that was agreed related to the Sunningdale Park PFI deal. Prior Estimates meant that the transfer was £0.201m too high in 2006/07 and the Cabinet Office reduced the 2007/08 allocation by the same amount. Thus the unspent element is required to fund the PFI accounting treatment in 2007/08.		

A1	<u>Transfers from resources to capital</u>	200,000
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The National School needs to maintain the ICT infrastructure. There were no available funds in 2006/07 for this work to take place, which is now essential for 2007/08.

	<u>Total</u>	401,000	-
Total change in capital for Estimate		401,000	401,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £ 1,203,000.
3. Symbols are explained in the Introduction to this booklet.

National School of Government

Part I

£

RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government 802,000

Total additional net resource requirement 802,000

Additional net cash requirement 1,203,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the National School of Government on:

RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government

Administration and the associated non-cash costs incurred in the management of the National School of Government.

The National School of 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: To provide a centre of excellence for learning and development in support of the strategic business priorities of					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	415	802	-	802	1,217
Total RfR 1		802	-	802	
Total Changes to RfRs		802	-	802	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	869	401	1,270
Non-Operating A in A	-	-	-
Net cash requirement	184	1,203	1,387

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government								
31,217	-	-	31,217	30,000	1,217	1,270	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
31,217	-	-	31,217	30,000	1,217	1,270	-	
Total for Estimate:								
31,217	-	-	31,217	30,000	1,217	1,270	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000 Revised</u>
Net Resource Requirement	415	802	1,217
Voted capital items			
Capital	869	401	1,270
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	869	401	1,270
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-600	-	-600
Depreciation	-500	-	-500
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-1,100	-	-1,100
Excess cash to be CFERd	-	-	-
Net Cash Requirement	184	1,203	1,387

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	1,217
Total Net Administration Costs	1,217
Net Programme Costs	
RfR1	-
Total Net Programme costs	-
Total Net Operating Cost	1,217
<i>of which:</i>	
Net Resource Requirement	1,217
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	1,217

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	1,217
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	1,217
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	1,217
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,217
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Robin Ryde, interim Principal of the National School

Robin Ryde as the interim Accounting Officer (AO) of the National School of Government has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the National School of Government.

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

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government	
Administration	30,000
<i>of which:</i>	
Sale of goods and services	30,000
Total RfR1	30,000 †
<i>† Amount that may be applied as appropriation in aid in addition to the net total, arising from: income from courses</i>	
Total Operating A in A	30,000

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	802	-	1,217	-	1,217
<i>of which:</i>					
<i>Administration budget*</i>	802	-	1,217	-	1,217
<i>Near-cash in RDEL</i>	802	-	117	-	117
Capital**	401	-	1,270	-	1,270
Less Depreciation†	-	-	-500	-	-500
Total	1,203	-	1,987	-	1,987

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

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

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

Cash which may be retained to offset expenditure

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

£'000
30,000

Privy Council 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: Ensuring the orderly conduct of Privy Council Office business			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
Following a Machinery of Government review, the Prime Minister decided that in order to manage the functions of the Privy Council (PCO) better, these would be split between the Cabinet Office and the Ministry of Justice. On 1 April 2007, the Ministerial offices became part of the Cabinet Office and the PCO Secretariat and the Office of the Judicial Committee moved, retaining their separate and independent identity, to the Constitution Directorate of the Ministry of Justice whilst continuing to report to the Lord President of the Council.			
Section A	Transfer of the Lord President's Office, the Leader of the House of Commons, Commons Chief Whips Office and the Lords Chief Whips Office and associated support functions to the Cabinet Office.		-4,553,000
Section A	Transfer of the Judicial Committee, Secretariat and associated support functions to the Ministry of Justice.	40,000	-2,308,000
		<u>Total</u>	<u>40,000 -6,861,000</u>
Total change in resources for RfR1			-6,821,000
Total change in resources for Estimate			-6,821,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government Changes</u>			
Section A	Transfer of the Lord President's Office, the Leader of the House of Commons, Commons Chief Whips Office and the Lords Chief Whips Office and associated support functions to the Cabinet Office.	-	-40,000
Section A	Transfer of the Judicial Committee, Secretariat and associated support functions to the Ministry of Justice.	-	-87,000
		<u>Total</u>	<u>- -127,000</u>
Total change in capital for Estimate			-127,000

2. As a result of the above and non-cash adjustments, there is a decrease in the net cash requirement of £6,866,000.

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

Privy Council Office

Part I

£

RfR 1: Ensuring the orderly conduct of Privy Council Office business	†	-6,821,000
Total additional net resource requirement		-6,821,000
Additional net cash requirement	†	-6,866,000

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

RfR 1: Ensuring the orderly conduct of Privy Council Office business

Administration and associated non-cash items

The **Privy Council Office** will account for this Estimate.

† 1) The Lord President's Office, the Leader of the House of Commons, Commons Chief Whips Office and the Lords Chief Whips Office and associated support functions were transferred to the Cabinet Office on 1 April 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement is reduced by £4,553,000;
- b) the net cash requirement is reduced by £4,546,000.

† 2) The Judicial Committee, Secretariat and associated support functions were transferred to the Ministry of Justice on 1 April 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement is reduced by £2,268,000;
- b) the operating appropriations-in-aid are reduced by £40,000;
- c) the net cash requirement is reduced by £2,320,000.

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 the orderly conduct of Privy Council Office business					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	6,821	-6,861	-40	-6,821	-
Total RfR 1		-6,861	-40	-6,821	
Total Changes to RfRs		-6,861	-40	-6,821	

	£000		
	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	127	-127	-
Non-Operating A in A	-	-	-
Net cash requirement	6,866	-6,866	-

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Ensuring the orderly conduct of Privy Council Office business								
-	-	-	-	-	-	-	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
-	-	-	-	-	-	-	-	-
Total for Estimate:								
-	-	-	-	-	-	-	-	-

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	6,821	-6,821	-
Voted capital items			
Capital	127	-127	-
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	127	-127	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-10	10	-
Depreciation	-38	38	-
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-34	34	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-82	82	-
Excess cash to be CFERd	-	-	-
Net Cash Requirement	6,866	-6,866	-

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

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

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Ceri King, Director of Corporate Services

Ceri King as the temporary Accounting Officer of the Privy Council Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General.

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

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-6,821	-	-	-	-
<i>of which: †</i>					
<i>Administration budget</i>	-6,821	-	-	-	-
<i>Near-cash in RDEL</i>	-6,739	-	-	-	-
Capital DEL ††	-127	-	-	-	-
Less Depreciation †††	38	-	-	-	-
Total DEL	-6,910	-	-	-	-

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

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

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

Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
Section A	Increase in provision (subhead A2) and appropriations in aid (subhead A5) to reflect agreed spending limits.	3,694,000	-163,000
		<u>Total</u>	<u>3,694,000</u>
Total change in resources for RfR1			3,531,000
Total change in resources for Estimate			3,531,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End Year Flexibility</u>			
Section A	To fund investment in IT hardware and software (subhead A7). In budgetary terms, this is funded by a transfer from non-cash resource EYF entitlement.	37,000	
		<u>Total</u>	<u>37,000</u>
Total change in capital for Estimate			37,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £3,964,000.

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

Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England

Part I

£

RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	3,531,000
Total additional net resource requirement	3,531,000
Additional net cash requirement	3,964,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England on:

RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England

Administration costs; capital expenditure; providing services to support the Public Services Ombudsman for Wales, the Scottish Public Services Ombudsman and the Northern Ireland Ombudsman; and associated non-cash items.

The Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	20,495	3,694	163	3,531	24,026
Total RfR 1		3,694	163	3,531	
Total Changes to RfRs		3,694	163	3,531	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	1,500	37	1,537
Non-Operating A in A	-	-	-
Net cash requirement	20,577	3,964	24,541

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England								
-	24,373	-	24,373	347	24,026	1,537	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
-	24,373	-	24,373	347	24,026	1,537	-	
Total for Estimate:								
-	24,373	-	24,373	347	24,026	1,537	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	20,495	3,531	24,026
Voted capital items			
Capital	1,500	37	1,537
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	1,500	37	1,537
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-75	-	-75
Depreciation	-1,490	246	-1,244
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-53	-	-53
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	200	150	350
Total accruals to cash adjustments	-1,418	396	-1,022
Excess cash to be CFERd	-	-	-
Net Cash Requirement	20,577	3,964	24,541

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	-
Total Net Administration Costs	-
Net Programme Costs	
RfR1	24,026
Non-voted	187
Total Net Programme costs	24,213
Total Net Operating Cost	24,213
<i>of which:</i>	
Net Resource Requirement	24,026
Non-voted expenditure	187
Consolidated Fund Extra Receipts	-
Resource Budget	24,213

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	24,026
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	187
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	24,213
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	24,213
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	24,213
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	1,537
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	1,537
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,537
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Parliamentary Commissioner for Administration and Health Service Commissioner for England (known as the Parliamentary and Health Service Ombudsman (PHSO)) is appointed by Her Majesty by Letters Patent and is ex-officio Accounting Officer for the Request for Resources within the Office's Estimate.

Request for Resources 1

Ms Ann Abraham, Parliamentary Commissioner for Administration and Health Service Commissioner for England

Ann Abraham, as the ex-officio Accounting Officer of the Office of the Parliamentary Commissioner for Administration and Health Service Commissioner for England, has agreed with the Treasury that the Accounting Officer duties as laid down in Managing Public Money apply.

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

Notes to the Estimate (continued)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 provision
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	
Administration	-
<i>of which:</i>	
Sale of goods and services	-
Programme	347
<i>of which:</i>	
Sale of goods and services	347
Total RfR1	347 †
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges levied on the Public Services Ombudsman for Wales, the Scottish Public Services Ombudsman, the Northern Ireland Ombudsman, the Commissioner for Local Administration in England and the Commissioner for Information for the provision of Ombudsman and support services; and recovery of costs of staff on loan.</i>	
Total Operating A in A	347

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

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	3,531	30	24,026	187	24,213
<i>of which: †</i>					
<i>Administration budget</i>	-	-	-	-	-
<i>Near-cash in RDEL</i>	3,777	180	22,654	537	23,191
Capital DEL ††	37	-	1,537	-	1,537
Less Depreciation †††	246	-	-1,244	-	-1,244
Total DEL	3,814	30	24,319	187	24,506

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

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

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

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

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

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Department for Innovation, Universities and Skills

Introduction

1. This Estimate consists of two Request for Resources:

RfR1: RfR1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; achieving excellence in levels of skills; and supporting innovation and standards

RfR2: RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society

2. The Estimate covers expenditure, including administration costs and related capital spending, by the Department for Innovation, Universities and Skills which was formed on 28 June 2007. The Department took over functions relating to higher education, skills and training, and the promotion of scientific excellence undertaken by the former Department for Education and Skills and the former Department of Trade and Industry. Most of the provision sought in this Estimate was included in the Main Estimates voted for the former departments and there are offsetting reductions in the net resource requirements, the net cash requirements, and operating and non-operating appropriations-in-aid totals, included in the winter Supplementary Estimates presented for the Department for Children, Families, and Schools and the Department for Business, Enterprise and Regulatory Reform.

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

Department for Innovation, Universities and Skills

Part I

£

RfR1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; achieving excellence in levels of skills; and supporting innovation and standards	†*	13,694,011,000
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society	†*	3,367,253,000
Total net resource requirement		17,061,264,000
Net cash requirement	†*	18,892,556,000

Amounts required in the year ending 31 March 2008 for expenditure by the Department for Innovation, Universities and Skills on:

RfR1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; achieving excellence in levels of skills; and supporting innovation and standards

Further, higher and other education provision and initiatives for young people and adults; research and related initiatives at institutions delivering higher education; training, skills, enterprise, assessment and advice and guidance provision for young people, adults and employers and related initiatives; financial and other support for students and trainees, including grants, allowances, access funds, loans and their repayment, the resource consequences of loans to students, the cost of sales of the student loan debt, reimbursement of fees for qualifying European Community students, post graduate awards, mandatory student awards, education maintenance allowances and childcare and transport support; investments and loans to support PFI; initiatives and programmes supported by the European Union; international programmes, including payments to the Department for Work and Pensions for the UK subscription to the International Labour Organisation and other international programmes;

initiatives to support, improve and promote education, training, skills and student and trainee support; payments to the Department for Business Enterprise and Regulatory Reform in connection with the Regional Development Agencies and the London Development Agency; innovation and standards; grants in aid and funding for the Higher Education Funding Council for England, the Learning and Skills Council, Investors in People UK, the Student Loans Company, Office for Fair Access, the Quality Improvement Agency, Sector Skills Development Agency, the UK Commission for Employment and Skills, the Technology Strategy Board, innovation and standards, the Design Council and the British Standards Institute; funding for the Construction Industry Training Board, Engineering Construction Industry Training Board and Film Industry Training Board; UK Intellectual Property Office; National Endowment for Science, Technology and the Arts; National Weights and Measures including the National Weights and Measures Laboratory; Information and publicity initiatives and services; departmental and others' costs of administering the above; and income relating to the above. Expenditure covers cash, near-cash, capital and non-cash items. Expenditure covers payments, grants and loans to organisations in the public, private and other sectors, including employers, community, voluntary and business support organisations, to individuals and to other Government departments. Expenditure covers cash, near-cash, capital and non-cash items. Expenditure relates primarily to England, but in some cases includes supporting activities in other parts of the United Kingdom and abroad.

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

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

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

† The function of development, funding and performance management of higher education (both teaching and research) and higher and further education and skills was transferred from the Department for Children, Schools and Families on 28 June 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are: (a) for RfR1 the net resource requirement is increased by £12,912,822,000; (b) for RfR1 operating appropriations-in-aid are increased by £519,581,000; (c) for RfR2 the net resource requirement is increased by £281,970,000; (d) non-operating appropriations-in-aid are increased by £621,080,000; (e) the net cash requirement is increased by £15,476,211,000.

* The function of science and innovation and ensuring world-class research and increased business innovation was transferred from the Department for Business, Enterprise and Regulatory Reform on 28 June 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are: (a) for RfR1 the net resource requirement is increased by £353,049,000 ; (b) for RfR1 operating appropriations- in-aid are increased by £555,000; (c) for RfR2 the net resource requirement is increased by £3,019,377,000 ; (d) for RfR2 operating appropriations-in-aid are increased by £1,000,000 ; (e) non operating appropriations-in-aid are increased by £166,000 ; and (g) the net cash requirement is increased by £3,377,600,000.

Part II: Subhead detail

										£'000	
2007-08										2006-07	2005-06
										Provision	Outturn
Resources						Capital					
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	Net Total Resources	Net Total Resources		
1	2	3	4	5	6	7	8	9	10		
<p>RfR1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; achieving excellence in levels of skills; and supporting innovation and standards</p>											
63,499	389,105	20,970,797	21,423,401	7,729,390	13,694,011	4,335,327	621,246	12,437,570	11,417,127		
<p>Spending in Departmental Expenditure Limits (DEL)</p>											
<p><i>Central Government spending</i></p>											
<p>A Activities to Support all Functions</p>											
63,499	7,586	477	71,562	186	71,376	4,757	-	64,376	63,963		
<p>B Higher Education</p>											
-	45,119	112,022	157,141	1,420	155,721	-	-	82,042	88,917		
<p>C Higher Education Support for Students</p>											
-	-	2,335,083	2,335,083	-	2,335,083	-	-	1,811,146	1,636,311		
<p>D Further Education, Skills and international Programmes</p>											
-	61,609	206,543	268,152	3,821	264,331	-	-	204,937	322,496		
<p>E Further Education Receipts from DCSF</p>											
-	-	-	-	5,186,025	-5,186,025	-	-	-4,752,775	-4,359,399		
<p>F Science, Innovation and Knowledge Transfer</p>											
-	274,791	79,643	354,434	57	354,377	5,341	166	200,274	70,679		
<p><i>Support for Local Authorities</i></p>											
<p>G Higher Education Fees and Awards through Local Education Authorities</p>											
-	-	1,000	1,000	-	1,000	-	-	3,077	10,996		
<p>H Further education receipts from DCSF to support 6th Forms</p>											
-	-	-	-	2,022,881	-2,022,881	-	-	-1,943,872	-1,783,093		
<p>I Science and innovation Knowledge transfer</p>											
-	-	4,191	4,191	-	4,191	-	-	-	-		
<p>Spending in Annually Managed Expenditure (AME)</p>											
<p><i>Central Government spending</i></p>											
<p>J Loans to Students</p>											
-	-	-	-	515,000	-515,000	4,325,229	621,080	-407,442	-351,887		
<p>Non- Budget</p>											
<p>K Higher Education Funding Council for England</p>											
-	-	6,868,992	6,868,992	-	6,868,992	-	-	6,627,713	6,207,155		

Part II: Subhead detail

								£'000			
2007-08								2006-07	2005-06		
								Provision	Outturn		
Resources						Capital					
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	Net Total Resources	Net Total Resources		
1	2	3	4	5	6	7	8	9	10		
L	Office for Fair Access	-	-	500	500	-	-	440	385		
M	Student Loan Company	-	-	43,762	43,762	-	-	52,263	388,004		
N	Investors in People UK	-	-	5,103	5,103	-	-	5,523	5,652		
O	Learning and Skills Council	-	-	11,132,384	11,132,384	-	-	10,328,177	9,818,239		
P	Sector Skills Development Agency	-	-	66,638	66,638	-	-	72,739	67,608		
Q	Quality Improvement Agency	-	-	107,567	107,567	-	-	82,773	-		
R	Design Council	-	-	6,892	6,892	-	-	6,179	7,109		
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society											
		8,500	27,575	3,332,178	3,368,253	1,000	3,367,253	-	-	3,118,683	3,047,444
Spending in Departmental Expenditure Limits (DEL)											
<i>Central Government spending</i>											
A	The Royal Society	-	-	41,072	41,072	-	-	36,359	32,555		
B	Royal Academy of Engineering	-	-	9,752	9,752	-	-	7,885	5,850		
C	British Academy	-	-	21,385	21,385	-	-	16,885	14,050		
D	RB Initiatives	-	-	6,000	6,000	-	-	7,738	11,633		
E	Science and Society	-	-	11,395	11,395	-	-	9,329	-		
F	Knowledge Transfer	-	-	19,000	19,000	-	-	13,497	11,801		
G	Science Research Investment Fund	-	-	62,390	62,390	-	-	305,300	95,205		

Part II: Subhead detail

								£'000	
2007-08								2006-07	2005-06
								Provision	Outturn
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	Net Total Resources	Net Total Resources
1	2	3	4	5	6	7	8	9	10
H	Research Base Administration Costs								
	3,500	-	3,500	-	3,500	-	-	3,381	3,472
I	GO-Science Group Administration Costs								
	5,000	-	5,000	-	5,000	-	-	4,521	4,533
J	Biotechnology and Biological Sciences Research Council								
	-	-	-	1,000	1,000	-	-	6,425	4,868
	<i>Cambridge Massachussetts Institute of Technology</i>								
	-	-	-	-	-	-	-	7,729	9,133
	<i>Foreign LINK Awards</i>								
	-	-	-	-	-	-	-	414	536
	<i>Joint Infrastructure Fund</i>								
	-	-	-	-	-	-	-	964	713
Spending in Annually Managed Expenditure (AME)									
Central Government spending									
K	Research Councils' Pension Scheme								
	-	27,400	27,400	-	27,400	-	-	17,202	15,100
Non- Budget									
L	Arts and Humanities Research Council								
	-	-	106,343	-	106,343	-	-	88,256	65,378
M	Biotechnology and Biological Sciences Research Council								
	-	-	382,930	-	382,930	-	-	376,964	326,367
N	Economic and Social Research Council								
	-	-	135,018	-	135,018	-	-	140,508	255,864
O	Engineering and Physical Sciences Research Council								
	-	-	720,000	-	720,000	-	-	637,134	554,521
P	Medical Research Council								
	-	-	526,516	-	526,516	-	-	503,575	459,542
Q	Natural Environment Research Council								
	-	-	354,541	-	354,541	-	-	340,630	295,977
R	Science and Technology Facilities Council								
	-	-	568,866	-	568,866	-	-	-	-
S	Fees Payable under the Animals (Scientific Procedures) Act 1986								
	-	175	175	-	175	-	-	117	219
T	Higher Education Funding Council for England								
	-	-	366,970	-	366,970	-	-	79,119	351,829

Part II: Subhead detail

2007-08						£'000	
						2006-07	2005-06
Resources						Provision	Outturn
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Net Total Resources
1	2	3	4	5	6	Non-operating Capital	Net Total Resources
						A in A	9
						7	8
							10
<i>Particle Physics and Astronomy Research Council</i>							
-	-	-	-	-	-	-	324,500
<i>Council for the Central Laboratory of the Research Councils</i>							
-	-	-	-	-	-	-	158,283
<i>Council for the Central Laboratory of the Research Councils - Diamond Synchrotron</i>							
-	-	-	-	-	-	-	44,818
Total for Estimate:							
71,999	416,680	24,302,975	24,791,654	7,730,390	17,061,264	4,335,327	621,246
							15,556,253
							14,464,571

Part II: Resource to cash reconciliation

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net total Resources	17,061,264	15,556,253	14,464,571
Voted capital items			
Capital	4,335,327	3,368,073	2,469,263
<i>Less: Non-operating AimA</i>	621,246	531,292	400,082
Total net voted capital	3,714,081	2,836,781	2,069,181
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-4,766	-283,083	-254,827
Depreciation	-4,567	-2,388	-3,120
New provisions and adjustments to previous provisions	-1,422,840	-670,208	-205,268
Profit/loss on sale of assets	-	-6	-6
Prior period adjustments	-	-	-
Other non-cash items	-515,000	-396,244	0
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	64,384	36,720	37,898
Total accruals to cash adjustments	-1,882,789	-1,315,209	-425,323
Excess cash to be CFERd	-	-	-
Net cash requirement	18,892,556	17,077,825	16,108,429

Part III: Extra receipts payable to the Consolidated Fund

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

	£'000					
	2007-08 Provision		2006-07 Provision		2005-06 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	1,955	-	3,011	-	3,466	-
Non-operating income not classified as A in A	-	-	154,229	<i>5,198</i>	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
Total	1,955	-	157,240	<i>5,198</i>	3,466	-

Forecast Operating Cost Statement

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Administration Costs			
RfR1	63,340	58,377	57,408
RfR2	8,500	7,902	8,005
Total Net Administration Costs	71,840	66,279	65,413
Net Programme Costs			
RfR1	13,628,716	12,376,182	11,356,859
RfR2	3,358,753	3,110,781	3,038,833
Non-voted	-	-	-
Total Net Programme costs	16,987,469	15,486,963	14,395,692
Total Net Operating Cost	17,059,309	15,553,242	14,461,105
<i>of which:</i>			
Net Resource Requirement	17,061,264	15,556,253	14,464,571
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-1,955	-3,011	-3,466
Resource Budget	15,799,794	14,157,069	13,545,739

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Resource Outturn (Estimates)	17,061,264	15,556,253	14,464,571
<i>Adjustments to remove:</i>			
Provision voted for earlier years	-	-	-
<i>Adjustments to additionally include:</i>			
Non-voted expenditure in the OCS	-	-	-
Consolidated Fund extra receipts (CFERS) in the OCS	-1,955	-3,011	-3,466
Other adjustments	-	-	-
Net Operating Costs (Accounts)	17,059,309	15,553,242	14,461,105
<i>Adjustments to remove:</i>			
Gains/Losses from sale of capital assets	-	-6	-6
Capital grants	-73,660	-316,923	-98,968
European Union income related to capital grants	-	-	-
Voted expenditure outside the budget	-567	-261	435,291
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	606
Resource consumption of non departmental public bodies	-1,221,993	-1,078,983	-1,292,289
Unallocated resource provision	36,705	-	0
Other adjustments	-	-	40,000
Resource Budget (Budget)	15,799,794	14,157,069	13,545,739
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	16,117,217	14,383,069	13,730,285
Annually Managed Expenditure (AME)	-317,423	-226,000	-184,546

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Voted Capital Outturn (Estimates)	3,714,081	2,836,781	2,069,181
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Capital spending by non departmental public bodies	1,882,932	1,550,698	1,945,183
Capital grants	73,660	316,923	98,968
European Union Income related to capital grants	-	-	-
Supported capital expenditure (revenue)	-	-	-
Capital spending by levy funded bodies	-	-	-
Unallocated capital provision	7,966	-	-
Other adjustments	-	-	-40,000
Capital Budget Outturn (Budget)	5,678,639	4,704,402	4,073,332
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	1,970,732	1,882,142	2,006,407
Annually Managed Expenditure (AME)	3,707,907	2,822,266	2,066,931

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

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

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

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

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	2007-08 provision	2006-07 provision	2005-06 outturn	£'000
RfR1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; achieving excellence in levels of skills; and supporting innovation and standards				
Administration	159	4,072		3,638
<i>of which:</i>				
Sale of goods and services	159	4,072		3,638
Programme	7,729,231	7,137,008		6,541,020
<i>of which:</i>				
Sale of goods and services	1,479	42,808		5,906
Other Grant Income (including repayments of grants/subsidies)	7,212,286	6,697,584		6,142,492
EU Grants	220	92		109
Interest and Dividends	515,000	396,224		391,887
Other Income(including receipts)	246	300		626
Total RfR1	7,729,390 †	-	7,141,080	-
† Amount that may be applied as appropriations in aid in addition to the net total arising from: European Fast Stream receipts; repayment of career development loans; repayments of working capital loans; receipts in respect of Career Development Loans default recoveries by banks; receipts from the sale of surplus properties; receipts from outside organisations (including the EC) in respect of advertising and publicity activities and materials; sale of research publications; receipts from the European Social Fund to cover departmental programmes; receipts from the Department for Children, Schools and Families for 14-19 programmes				
<i>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 at Culham, Oxfordshire; contributions from the National Assembly for Wales towards Key Skills; contributions from the National Assembly for Wales and the Scottish Executive for dance and drama students; contributions from the Scottish Executive, the National Assembly for Wales, and the Northern Ireland Executive towards miscellaneous European Education</i>				
<i>contributions from other government departments and other sources towards the costs 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.</i>				
RfR2: Increasing scientific excellence in the UK and maximising its contribution to society				
Administration		76		
<i>of which:</i>				
Sale of goods and services		76		
Programme	1,000	6,425		4,868
<i>of which:</i>				
Other Grant Income (including repayments of grants/subsidies)	1,000	6,425		4,868
Total RfR2	1,000 †	6,501		4,868
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts for employees' and employers' contributions and transfer values received and contributions towards the Institute of Animal Health				
Total Operating A in A	7,730,390	7,147,581		6,549,526

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

RfR1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; achieving excellence in levels of skills; and supporting innovation and standards

Programme	621,246	531,292	400,082
<i>of which:</i>			
Loan,etc repayments	621,246	531,292	400,082
Total RfR1	621,246 †	531,292	400,082
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: the repayment of principal on student loans; and from the sale of surplus land, buildings and equipment. Repayment of loan from the Patent Office.</i>			
Total Non-Operating A in A	621,246	531,292	400,082

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000					
	2007-08 Provision		2006-07 Provision		2005-06 Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Receipt of dividend from Patent Office Executive Agency trading fund Φ	1,751	-	2,807	-	2,652	-
Interest on Loans advanced by thr S of S to the Patent Office Executive Agency trading fund Φ	204	-	204	-	208	-
Biotechnology and Biological Sciences Research Council	-	-	-	-	254	-
Engineering and Physical Sciences Research Council	-	-	-	-	4	-
Medical Research Council	-	-	-	-	282	-
Particle Physics and Astronomy Research Council	-	-	-	-	14	-
Royal Society	-	-	-	-	52	-
Student Loan Interest Receipts Φ	-	-	154,229	5,198	-	-
Total	1,955	-	157,240	-	3,466	-

Departmental Expenditure Limits and Administration budgets

	£'000		
	Voted	Non-Voted	Total
Resource DEL	-3,742,948	19,860,165	16,117,217
<i>of which: †</i>			
Administration Budget	71,840	-	71,840
Near cash in RDEL	-5,175,121	19,713,429	14,538,308
Capital DEL ††	-93,408	2,064,140	1,970,732
Less depreciation †††	-4,567	-128,757	-133,324
Total DEL	-3,840,923	21,795,548	17,954,625

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

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

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

Comparisons of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2007-08 of £17,061,264,000 is 9.7% higher than the final provision and forecast outturn for 2006-07 of £15,556,253,000.

Notes to the Estimate (*continued*)

Cash which may be retained to offset expenditure

	£'000		
	2007-08	2006-07	2005-06
	Provision	Provision	Outturn
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	8,351,636	7,678,873	6,949,608

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	Body	£ '000
RfR1 - B	Grants to the Royal anniversary Trust to cover costs associated with the Higher and Further Education Awards Scheme (Queen's Anniversary Prizes)■	167

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1 - K	Higher Education Funding Council for England♥	6,869.0
RfR1 - L	Office for Fair Access♥	0.5
RfR1 - M	Student Loan Company♦	43.8
RfR1 - N	Investors in People UK♦	5.1
RfR1 - O	Learning and Skills Council♥	11,132.3
RfR1 - P	Sector Skills Development Agency♦	66.6
RfR1 - Q	Quality Improvement Agency♥	107.6
RfR1 - R	Design Council♦	6.5
Total		18,231.4
RfR2 - L	Arts and Humanities Research Council♥	106.3
RfR2 - M	Biotechnology and Biological Sciences Research Council♥	383.0
RfR2 - N	Economic and Social Research Council♥	135.0
RfR2 - O	Engineering and Physical Sciences Research Council♥	720.0
RfR2 - P	Medical Research Council♥	526.5
RfR2 - Q	Natural Environment Research Council♥	354.5
RfR2 - R	Science and Technology Facilities Council♥	568.9
RfR2 - T	Higher Education Funding Council for England♥	367.0
Total		3,161.2

Notes to the Estimate (*continued*)

Contingent Liabilities

Nature of Liability	£'000
As at 31 March 2008 the following liabilities fell to be met from the Department's Estimate:	
Non Statutory	
In order to ensure that the Croydon Local Learning and Skills Council (LLSC) commences operations in April 2001 and because no suitable training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CCTE) property exists in the Croydon LLSC area an indemnity to give a landlord a guarantee that, in the event of the LSC ceasing to exist the Secretary of State will take over the lease. this is because, to the landlord, the LSC is an unknown body with no financial history.	4,037
In order to ensure that the Learning and Skills Council (LLSC) commences operations in April 2001 and because no suitable training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CCTE) property exists in the Brighton, Manchester or Coventry area an indemnity to give a landlords a guarantee that, in the event of the LSC ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LSC is an unknown body with no financial history.	30,688
An indemnity to cover the cost of re-assessing trainees who are disadvantaged by flaws in the awarding of National Vocational Qualifications by the Road Transport Industry Training Board.	-
In order to ensure that the Kempston Local Learning and Skills (LLSC) commenced its operations on time, and because there was no suitable Training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CCTE) property in the Kempston LLSC area, and because the LSC was an unknown body to the landlord with no financial history the landlord required the Secretary of State to act as guarantor. In the event of the LSC ceasing to exist the Secretary of State will be required to take over responsibilities under the lease.	386

Notes to the Estimate (*continued*)

International Subscriptions

RfR/Section	Body	£ '000
RfR1 - D	The Estimate includes provision to reimburse the Department for Work and Pensions for payments made by the Joint International Unit for International Education Programmes and the annual subscription of the International Labour Organisation	9,778

Government Equalities Office

Introduction

1. This Estimate provides for grants and expenditure by the Government Equalities Office (GEO) on gender and wider equalities policy, payments to non-departmental public bodies (NDPBs) and related administration costs. The Department was announced on 26 July 2007.
2. The Estimate consists of one Request for Resource, covering one executive non-departmental public body (NDPB) - the Commission for Equality and Human Rights (CEHR) - and one advisory NDPB: the Women's National Commission.
3. Further information on the activities of the equalities function can be found in the DCLG Report 2007 (Cm 7094). Next year the GEO will produce its own report.
4. Symbols are explained in the Introduction to this booklet.

Government Equalities Office

Part I

£

Request for Resources 1: promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential	†	66,242,000
Total net resource requirement		66,242,000
Net cash requirement		66,242,000

Amounts required in the year ending 31 March 2008 for expenditure by the Government Equalities Office on:

RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential

Work on gender and wider equalities policy, grant in aid to the Commission for Equalities and Human Rights, grant in aid to the Commission for Racial Equality, and grant in aid to the Equal Opportunities Commission; and grants and payments associated with gender and wider equality policy; programme expenditure on the Women's National Commission and the administration costs of the Office; and other associated non-cash costs.

The **Government Equalities Office** will account for this Estimate.

† The creation of The Equalities Office was announced on 26 July, transferring from the Department of Local Government and Communities (DCLG). Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government change are:

- a) the net resource requirement is increased by £ 59,742,000;
- b) the net cash requirement (NCR) is increased by £ 59,742,000.

Part II: Subhead detail

2007-08						2006-07		2005-06	
Resources						Capital		Provision	Outturn
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	Net Total Resources	Net Total Resources
1	2	3	4	5	6	7	8	9	10
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential									
3,885	29,411	32,946	66,242	-	66,242	-	-	38,350	49,890
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Equalities									
3,885	29,411	-	33,296	-	33,296	-	-	9,491	5,865
Non-Budget									
B Non-departmental public bodies (NDPBs)									
-	-	32,946	32,946	-	32,946	-	-	28,859	44,025
Total for Estimate:									
3,885	29,411	32,946	66,242	-	66,242	-	-	38,350	49,890

Part II: Resource to cash reconciliation

£'000

	2007-08 Provision	2006-07 Provision	2005-06 Outturn	
Net total Resources	66,242	38,350		49,890
Voted capital items				
Capital expenditure	-	-	-	
<i>Less:</i> Non-operating A in A	-	-	-	
Total net voted capital	-	-	-	-
Accruals to cash adjustment				
Adjustments to remove non-cash items:				
Cost of Capital charges	-	-	-	
Depreciation	-	-	-	
New provisions and adjustments to previous provisions	-	-13	-	
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	-	130	14,900	
Total accruals to cash adjustments	-	117	14,900	14,900
Excess cash to be CFERd	-	-		-
Net cash requirement	66,242	38,467		64,790

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2007-08 or 2006-07. None were received in 2005-06.

Forecast Operating Cost Statement

£'000

	2007-08 Provsion	2006-07 Provsion	2005-06 Outturn
Net Administration Costs			
RfR1	3,885	3,036	2,248
Total Net Administration Costs	<u>3,885</u>	<u>3,036</u>	<u>2,248</u>
Net Programme Costs			
RfR1	62,357	35,314	47,642
Total Net Programme costs	<u>62,357</u>	<u>35,314</u>	<u>47,642</u>
Total Net Operating Cost	66,242	38,350	49,890
<i>of which:</i>			
Net Resource Outturn	66,242	38,350	49,890
CFERs	-	-	-
Non-voted expenditure	-	-	-
Resource Budget Outturn	66,834	38,570	34,418

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Resource Outturn (Estimates)	66,242	38,350	49,890
<i>Adjustments to remove:</i>			
provision voted for earlier years	-	-	-
<i>Adjustments to additionally include:</i>			
non-voted expenditure in the OCS	-	-	-
Consolidated Fund extra receipts (CFERS) in the OCS	-	-	-
Other adjustments	-	-	-
Net Operating Costs (Accounts)	66,242	38,350	49,890
<i>Adjustments to remove:</i>			
gains/losses from sale of capital assets	-	-	-
capital grants to local authorities	-	-	-
capital grants financed from the Capital Modernisation Fund	-	-	-
European Union income and related adjustments	-	-	-
voted expenditure outside the budget	-	-	-
<i>Adjustments to additionally include:</i>			
other Consolidated Fund Extra Receipts	-	-	-
resource consumption of non departmental public bodies	592	220	-15,472
unallocated resource provision	-	-	-
Other adjustments	-	-	-
Resource Budget Outturn (Budget)	66,834	38,570	34,418
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	66,834	38,570	34,418
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Voted Capital Outturn (Estimates)	-	-	-
<i>Adjustments to additionally include:</i>			
other Consolidated Fund Extra Receipts	-	-	-
capital spending by non-departmental public bodies	7,175	255	338
capital grants to local authorities	-	-	-
capital grants financed by the Capital Modernisation Fund	-	-	-
local authority credit approvals	-	-	-
capital spending by levy funded bodies	-	-	-
unallocated capital provision	-	-	-
Other adjustments	-	-	-
Capital Budget Outturn (Budget)	7,175	255	338
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	7,175	255	338
Annually Managed Expenditure (AME)	-	-	-

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Peter Housden, head of the Department for Communities and Local Government

Peter Housden, as the interim Accounting Officer (AO) of the Government Equalities Office has personal responsibility for the proper presentation of the Government Equalities Office's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The AO as the permanent head, in addition to the responsibilities for any assigned RfRs, remains in general overall charge of the Government Equalities Office.

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

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	£'000		
	Voted	Non-voted	Total
Resource DEL	33,296	33,538	66,834
<i>of which: †</i>			
Administration budget	3,885	-	3,885
Near-cash in RDEL	33,296	32,929	66,225
Capital DEL ††	-	7,175	7,175
Less depreciation †††	-	-579	-579
Total DEL	33,296	40,134	73,430

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

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

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

Comparisons of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2007-08 of £ 66,242,000 is 72.7 per cent higher than the final provision and forecast outturn for 2006-07.

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Service		£'000
RfR1 -B3	Commission for Equalities and Human Rights	♥	13,846
RfR1 -B3	Commission for Racial Equality	♥	19,100
			<hr/> 32,946

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