
Central Government Supply Estimates 2002–03

Main Supply Estimates

Summary Request for Supply

**Central Government
Supply Estimates
2002–03**

for the year ending 31 March 2003

Main Supply Estimates

*Presented by Command of Her Majesty
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9 May 2002

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Section 1. Introduction

1. Supply Estimates are the means by which Government seeks authority from Parliament for its own spending each year. The Main Estimates start this process and are presented to Parliament around the start of the financial year to which they relate. This year there are two important changes. Detailed departmental Estimates are being presented to Parliament by the Treasury instead of in departmental reports (making the Summary Request for Supply presented alongside the 2001–02 Main Estimates no longer necessary); and a new Supplementary Budgetary Information publication is being presented alongside the Main Estimates giving detailed read-across between Estimates and departmental reports.

2. The format of resource-based Supply Estimates is described in detail in Section 2. The relationship between Supply Estimates and the administrative control arrangements are described in Section 3. Section 4 describes the way in which Parliament considers the Supply Estimates. Section 5 summarises the important voted elements of the Estimate and Section 6 consists of the individual departmental Estimates themselves.

2002–2003 Main Supply Estimates

3. The total resource expenditure for which authority is sought in the 2002–03 Main Estimates is £290.9 billion. This spending is consistent with the Government's plans for public expenditure as a whole set out in Public Expenditure: Statistical Analyses 2002–03 (Cm 5401). Further information is contained elsewhere in the Departmental Reports. The introductory note to each Estimate contains cross-reference to the location of material in the reports.

4. The total forecast outturn for Supply expenditure in 2001–02 is about £280.5 billion. Resources sought through Supply for 2002–03 are about £10.4 billion higher than the forecast outturn for 2001–02.

Table 1 Summary of Supply provision sought, 2002–03 and comparison with previous years

	£ billion		
	2000–01 Outturn	2001–02 Forecast Outturn	2002–03 Provision
Gross resources	283.1	307.7	319.1
Less Operating appropriations in aid	–24.4	–27.2	–28.2
Net resource requirement	258.7	280.5	290.9
Capital	–12.8	–16.0	–14.1
Less Non operating appropriations in aid	–3.4	–5.2	–2.8
Accruals to cash adjustments	–26.9	–16.0	–20.2
Net cash requirement	241.2	275.3	282.0

5. Table 2 in Section 4 shows the net resources for each Request for Resources (RfR) and the net cash requirements sought for each Estimate in 2002–03, the total provision and forecast outturn for 2001–02 and the outturn for 2000–01.

Section 1.
Introduction

6. The 2002-03 Main Estimates are presented in four volumes. This volume covers the main central government departments. Three separate booklets are being presented to Parliament by the House of Commons (HC 796), the National Audit Office (HC 797) and the Electoral Commission (HC 798).

Section 2. Format of Resource-based Supply Estimates

1. This section explains the format of Main Estimates. The format of Supplementary Estimates will be described in their introductory pages when they are published during the course of the year.

2. A total of 53 Main Estimates are presented for 2002–03. There is a single resource-based Estimate for each department (including those for the House of Commons, the National Audit Office and the Electoral Commission) and separate Estimates are produced for public service pension schemes having their own resource accounts.

Structure 3. Each detailed departmental Estimate is accompanied by explanatory notes containing basic information intended to put the Estimate into context, including a general description of the expenditure involved; an explanation of the Accounting Officer responsibilities for the Estimate; and an indication of any important features or related Estimates, such as those for public service pension schemes.

4. The core elements which consist of the sums and services to be voted in each resource-based Main Supply Estimate are produced in a standard format.

Part I 5. **Part I** of resource Estimates contains the following key facts:

- (i) the net provision sought (ie the amount of expenditure in resource terms and the net cash requirement for the coming financial year);
- (ii) a formal description of the services to be financed from the Estimate, known as its **Ambit**. The **Ambit** clearly indicates the scope of the expenditure to be financed from each Request for Resource (RfR) contained within the Estimate, including where appropriate associated non-cash items (eg depreciation and cost of capital charges);
- (iii) the department which will account for the Estimate; and
- (iv) any amounts, resources and cash, which have already been allocated to it in the Vote on Account.

6. The net resources required, appropriations in aid totals, net cash requirement and the **Ambit** will be reproduced in the Appropriation Act and together provide the statutory authority for the expenditure. No expenditure may be financed from the Estimate which is in excess of the net totals shown or which is not covered by the **Ambit**. **Ambits** are to be kept under review to ensure that they properly describe the purposes for which expenditure may be incurred.

7. The **Ambit** in **Part I** of the Estimate must be clearly descriptive of the functions to be carried out by the department as should the descriptions attaching to individual sections within an RfR in **Part II**. However the title of each RfR must be objective-based in order to provide a link with Schedule 5 of the resource account whose purpose is to inform users of the accounts as to how resources have been divided between the department's objectives.

Parts II and III 8. The following two parts of the resource-based Estimate provide a further breakdown of the expenditure for which approval is being sought and detail of income.

9. The **Part II** subhead detail table is in a tabular or matrix format.

Section 2.
Format of Resource-based Supply Estimates

10. Each Resource Estimate is split into one or more requests for resources (RfRs), each relating to one of the main aims or functions of the department. Each RfR shows a breakdown of expenditure in accordance with the following control framework classifications which in turn are classified according to spending sectors as appropriate:

Spending in Departmental Expenditure Limits

Central Government spending

Support for Local Authorities

Spending in Annually Managed Expenditure

Central Government spending

Support for Local Authorities

Non-cash items

Other spending outside Departmental Expenditure Limits

11. Beneath these levels, each RfR may contain one or more functional lines (sections) as necessary.

12. The individual resource items within the RfR sections are the “subheads” against which the Treasury will require the expenditure to be accounted for. Departments may not redistribute sums shown for resources between sections, or into administration costs within sections, without the agreement of the Treasury which, as long as the total gross and net amounts voted by Parliament are not exceeded, may sanction the use of savings in one section or subhead to meet excess resource expenditure in another, a process known as “virement”. This discretion will not be used in cases where the proposed reallocation is thought to be of such importance or so great a departure from the original Estimate that it should be brought specifically before Parliament by means of a Revised or token Supplementary Estimate.

13. Resource expenditure may not be vired between RfRs. Such transfers always require a Revised or Supplementary Estimate.

14. The different types of expenditure within the Estimate are shown in the vertical breakdown of the table. Each of the columns numbered 1 to 9 is expressed in accruals terms. Columns 1 to 6 fall within the Resource Budget and show all voted current expenditure scored on an accruals basis. Columns 1 and 2 show direct expenditure by the department and its agencies and other bodies within the resource accounting boundary. Column 3 shows grants and transfers to bodies outside the RAB boundary, including grants to persons. All of these three columns include amounts in respect of the current consumption of assets but do not include the amounts associated with the acquisition of capital items.

15. Appropriations in aid (AinA) within the Resource Budget are shown in column 5. The total of the AinA amounts identified against each RfR line are subject to Parliamentary control. Appropriations in aid are deducted from the total of gross resource expenditure shown in column 4 to give a net total amount (Column 6). The identified net totals against each RfR are also subject to Parliamentary control.

16. Columns 7 and 8 show the non-Resource Budget elements of the Estimate and are also scored on an accruals basis. Column 7 shows forecast capital acquisitions and Column 8 shows forecast appropriations in aid, which relate to non-operating cost items such as income from the disposal of fixed assets. The total amount of non-operating AinA for the department will be subject to Parliamentary control.

Section 2. Format of Resource-based Supply Estimates

17. Unlike resource expenditure gross capital provision may be wired between RIRs with the agreement of the Treasury.
18. The final two columns of the Estimate show net total resource figures for the two prior years. These figures are for comparative purposes and will, as before, be adjusted as far as possible to be consistent with the Estimate format for the coming year.
19. A detailed explanation of the reconciliation between the net resource total and the net cash requirement is shown in the second section of Part II. Capital expenditure is outside the Resource Budget, but the cash required to finance capital expenditure has to be provided. This therefore forms part of the cash requirement, which means that capital expenditure is added to the net resource total. Non-cash items, which were included in the Resource Budget, are then removed (eg capital charges and depreciation), and the cash effects of various adjustments relating to working capital changes (stock, debtors and creditors) and changes in provisions are shown. An adjustment may also be required to identify any excess cash to be surrendered as CFERs, where a department would otherwise have a negative cash requirement.
20. The net effect of these changes results in the identification of the department's Net Cash Requirement, which is the amount of cash required from the Consolidated Fund in the year in question for the department to carry out its business as specified in the *Ambit* and is also subject to Parliamentary control.
21. **Part III** of the Estimate shows the extra receipts payable to the Consolidated Fund. This seeks to notify Parliament of the department's forecast of surplus income not appropriated in aid and extra cash receipts to be paid directly to the Consolidated Fund and not retained by the department. Amounts are consequently shown both for forecast income and forecast cash receipts. Prior year data analysed by income and cash receipts are also shown.
- Other statements and notes** 22. Resource Estimates are accompanied by a **Forecast Operating Cost Statement** reflecting the format of the outturn Operating Cost Statement to be included in the departmental resource accounts. There are also two reconciliation tables: one showing the reconciliation of the Resource Estimate, to the Accounts to Budgets; and another showing the reconciliation of the Capital Estimate and the Budget. These tables will also include expenditure by, and income received in, the department, which is not voted by Parliament. The Estimates are accompanied by notes providing additional information to Parliament about the specific nature of the department's plans, details of grants in aid, changes in accounting policies etc.
23. The Estimates and supporting statements and notes provide an explanation of the expenditure that the Government proposes to finance from funds made available by Parliament. As before, further information can be provided to Select Committees through their consideration of Estimates or to the whole House through debates.
- Contingent liabilities** 24. The Notes to each Estimate include details, where appropriate, of any contingent liabilities in force, which, if they matured, would involve the voting of additional expenditure through the Estimate.
- Appropriations in Aid** 25. A Treasury Minute under the Government Resources and Accounts Act 2000 has today been laid before Parliament directing that certain income specified in the Estimates may be applied as appropriations in aid of resources authorised by Parliament to be used for the service of the year ending 31 March 2003. The source of all types of income to be appropriated in aid is explained in an analysis in the form of a Note to each Estimate which provides a breakdown of forecast Appropriations in Aid (AinA) for 2002-03 and comparison with the two prior years. Each table distinguishes where appropriate between operating AinA and non-operating AinA (the latter mainly the proceeds from asset sales).
26. Each Note to the Estimate includes comprehensive AinA footnotes ordered so that resource AinA items are listed first followed by non-operating AinA items. Failure to

Section 2. Format of Resource-based Supply Estimates

include a relevant item in the footnote would mean that the income in question could not be applied as *AinA*.

Symbols 27. For convenience the symbols used throughout departmental Estimates are reproduced below.

Public Expenditure:

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

Statutory authority for expenditure:

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

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

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

Publication date 28. The Government aims to present the Main Estimates during March or early April each year. However, due to the late timing of the 2002 Spring Budget, the Main Estimates for 2002–03 are not being presented until May.

Supplementary Budgetary Information 29. Alongside Main Estimates, the Treasury publishes a new Supplementary Budgetary Information publication. This publication contains tables giving the important read-across between Estimates and departmental reports for each departmental Estimate and is a result of the decision to simplify the departmental report tables from 2002.

Section 3. Parliamentary Procedure

1. Parliament's consideration of the Supply Estimates is part of its Supply procedure, by which it approves the Government's requests for resources and cash. The process consists of a number of stages:

- (i) the Government requests certain provision;
- (ii) to support each request, information is provided about what resources and total cash will be required and who will be responsible for accounting for the provision;
- (iii) Parliament considers these requests, investigates some more fully and may choose to debate one or more of them;
- (iv) if Parliament votes in favour of the requests it passes an Act to provide the resources and make cash available from the Consolidated Fund;
- (v) to enhance its control, Parliament gives legislative force to the Ambits of the Estimates which specify the purposes for which the provision may be spent; and
- (vi) after expenditure, both resources and cash, has been incurred it is audited and accounted for to check that the amounts and purposes approved by Parliament have not been exceeded.

2. This process extends over a period of more than two years, starting before the financial year in which expenditure is to be incurred and ending over twelve months after that year has ended. At any one time Parliament may be considering expenditure that relates to more than one financial year.

Supply Procedure

3. Under long-established constitutional practice it is for the Crown (the Government) to demand money, the House of Commons to grant it and the House of Lords to assent to the grant.

4. Parliament gives statutory authority for both the use of resources and for funds to be drawn from the Consolidated Fund (the Government's general bank account at the Bank of England) to meet most expenditure by government departments and certain related bodies by Acts of Parliament known as Consolidated Fund Acts and by an annual Appropriation Act. Parliamentary procedure leading to the passing of these Acts is known as "Supply procedure". Specific provision is made available under the Acts only for a specified financial year (although an individual Act may authorise Supply for separate Estimates from different financial years).

Vote on Account

5. Because Parliament does not normally approve the Main Estimates until around the end of July or early August the process begins with the Votes on Account to provide provision for the early months of the financial year. These are normally presented to Parliament in the previous November along with the Winter Supplementary Estimates. In general they will seek for the coming financial year 45 per cent of the amounts, resources and cash, authorised to date in the current year.

Main Estimates

6. Around the turn of the new financial year the Treasury presents to Parliament the Main Estimates with supporting statements and notes. Part I of each Estimate forms the basis of a Supply Resolution, which is normally voted on by the House of Commons before the end of July. A Consolidated Fund (Appropriation) Bill is then brought in and passed before Parliament rises for the Summer Recess.

Section 3. Parliamentary Procedure

- Appropriation Act** 7. The resulting Appropriation Act authorises departments to use resources and spend cash up to the amounts requested in the Main Supply Estimates as amended by any Revised Estimates or added to by summer Supplementary Estimates. The Act not only gives Parliamentary authority for total resources requested to be used and cash to be issued from the Consolidated Fund but also limits the way in which the resources can be used by prescribing how the overall sum is to be appropriated to particular RFRs in order to finance specified services. It also appropriates to individual Estimates the amounts provided under Consolidated Fund Acts passed since the previous Appropriation Act.
- Revised Estimates** 8. Revised Estimates affecting some expenditure may be presented to replace the original Estimate before the Supply Resolution is voted on. They either reduce the provision sought in the original Estimate or vary the way in which it is to be allocated.
- Supplementary Estimates** 9. The Government may decide to ask Parliament for additional resources and/or cash during the year. Supplementary Supply Estimates, where necessary, are usually presented in June (summer), November (winter) and February (spring). Following any Estimates Day debates and the vote on the necessary Supply Resolution, formal statutory authority for extra funds is provided by the Appropriation Act in the case of summer Supplementaries and by Consolidated Fund Acts in the case of winter and spring Supplementaries. The winter Consolidated Fund Act also covers the Vote on Account. Exceptionally, as necessary, Supplementaries may be presented at other times.
- Contingencies Fund** 10. There is also a cash-based Contingencies Fund, which may be used to finance urgent cash expenditure in anticipation of Parliamentary approval of Estimates. Total advances outstanding at any one time must not exceed 2 per cent of the previous year's total cash Supply provision. Drawings on the Fund are repaid when Parliament has voted the additional cash (together with any associated resource consumption).
- Accounts and audit** 11. Supply Estimates are based upon both consumption of resources and cash and parliamentary control applies to both.
12. Provision is made within resources for commitments entered into but which may not mature for payment within the financial year. The net cash requirement provides for all payments, which are due within the financial year relating to continuing services whether or not they relate to consumption of resources within the year and takes account of the cash receipts associated with *AinA* income.
13. After the end of the financial year each department and public service pension scheme prepares a resource account comprising a set of schedules and statements the most significant of which for Parliamentary control of Estimates is Schedule 1 which compares outturn with estimate for both resource expenditure and the net cash requirement.
14. Each resource account is audited and a certificate and report on the account is produced by the Comptroller and Auditor General. The account and the Comptroller and Auditor General's certificate and report are then laid before the House of Commons in the winter following the end of the financial year to which they relate.
15. The accounting and audit arrangements for some expenditure including grants in aid and certain subscriptions to international organisations are different from those for most expenditure. These exceptions are indicated by a common set of symbols in all departmental Estimates where they apply (see Section 2).
16. Under the National Audit Act 1983 the Comptroller and Auditor General also carries out value for money studies of department's expenditure. The Public Accounts Committee's examination of departments in these studies substantially enhances the accountability provided through the resource accounts.
- Excess Votes** 17. If expenditure on any RFR or the net cash requirement for an Estimate exceeds the provision voted, and it is too late to seek a Supplementary Estimate, the excess will appear in schedule 1 of the Department's resource account and will be reported to the Public

Section 3. Parliamentary Procedure

Accounts Committee by the Comptroller and Auditor General. Subject to that report, the necessary provision is sought in an Excess Vote. The Treasury presents a Statement of Excesses to Parliament, usually in February of the following financial year at the same time as spring Supplementary Estimates. Funds, either resources, cash or both are then voted in March (ie over 11 months after the end of the financial year to which they relate). They are then appropriated in the following year's Appropriation Act in July.

Parliamentary debate

18. Parliament's consideration of individual Estimates is primarily a task for Select Committees concerned with the activities and expenditure of particular departments. A Committee may decide to examine individual Main or Supplementary Estimates, ask the department for more information about some aspects and examine Ministers and officials about particular areas of expenditure. A Committee's conclusions often take the form of a Report, which is printed by the House.

19. The House of Commons has the opportunity to debate and vote on individual Estimates on three Estimates Days in each Parliamentary Session. When this happens the debate is generally informed by a Report from the relevant Select Committee. The time available in Estimates Days is allocated on the advice of the Liaison Committee whose membership includes the chairmen of the Departmental Select Committees. In addition the Government may make some extra time available for debates on special Supplementary Estimates.

20. Proceedings on Consolidated Fund Bills are formal, ie not open to debate.

Parliamentary Timetable

21. Under Standing Orders of the House of Commons, seven clear days must elapse between the presentation of a Supplementary Estimate and the vote on the related Supply Resolution. The Government aims to leave at least 14 days between presentation and the vote, and to give Select Committees advance proof copies of Supplementary Estimates ahead of presentation, although this may not always be possible. In practice, some 2-4 weeks are usually available for Select Committees to examine Supplementaries on the three main occasions when they are presented. This period is necessarily shorter if there are any late or Revised Supplementaries.

22. Parliament's consideration of Estimates is therefore generally concentrated in three periods:

- (i) April-July for Main Estimates and June-July for summer Supplementaries and Revised Estimates, including any Estimates Day debates, followed by the Appropriation Act;
- (ii) November-December for Winter Supplementaries, the Vote on Account and any associated debates, followed by a Consolidated Fund Act;

(iii) February-March for spring Supplementaries and any associated debates, also followed by a Consolidated Fund Act.

Consolidated Fund standing services

23. Parliament has passed statutes that authorise certain expenditure to be charged to the Consolidated Fund and not be subject to the annual Supply procedure. These "Consolidated Fund standing services" include payments to the National Loans Fund to service the National Debt, most payments to the European Communities, Her Majesty's Civil List and the salaries and pensions of certain people who are constitutionally independent of the Executive. These include the Speaker of the House of Commons, the Comptroller and Auditor General, United Kingdom members of the European Parliament and the judiciary.

24. Where appropriate Consolidated Fund standing services are included within departmental resource accounts and budgets and are subject to the public expenditure controls described in **Section 3**.

Section 4. Summary of Supply Estimates

1. Table 2 summarises the 2002-03 Main Supply Estimates presented to Parliament. It shows the net resources for each RIR and the net cash requirements sought for each Estimate in 2002-03, the total provision and forecast outturn based upon resource accounts for 2001-02 and the outturn on an equivalent basis for 2000-01.

Table 2 Supply Estimates by department and request for resources

RIR Service	2000-01 (1)		2001-02 (1)		Forecast outturn		2002-03	
	Outturn		Total provision		Forecast outturn		Total provision	
	Net resources (2)	Net cash requirement	Net resources (2)	Net cash requirement	Net resources (2)	Net cash requirement	Net resources (2)	Net cash requirement
Department for Education and Skills	19,890,301	16,902,240	19,571,966	21,099,836	18,808,590	20,253,905	22,289,894	23,535,975
1 To help build a competitive, dynamic and inclusive society by creating opportunities for everyone to develop their learning, raising potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills	15,774,596		19,268,615		18,653,554		21,691,108	
2 Promoting the physical, intellectual and social development of babies and young children through Sure Start	55,785		265,278		120,963		448,486	
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	—		98,071		34,673		150,000	
Teachers Pension Scheme	1,642,983	1,642,437	1,708,061	1,708,893	1,708,893	1,700,803	1,760,000	1,760,600
1 Teachers' Pensions	1,642,983		1,708,061		1,708,893		1,760,000	
Office of Her Majesty's Chief Inspector of Schools in England	104,228	102,246	135,428	167,470	155,428	167,470	199,013	198,632
1 Improving the quality and standards of education and childcare through independent inspection, regulation & advice	104,228		135,428		135,428		199,013	
Department of Health	38,956,602	38,845,473	44,820,978	44,189,548	44,670,978	43,964,548	49,124,711	49,077,072
1 Securing health care for those who need it	2,425,054		42,762,473		42,612,478		46,220,700	
2 Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health	1,531,548		2,058,500		2,058,500		2,904,011	
National Health Service Pension Scheme	735,904	622,406	172,752	232,898	172,752	232,898	50,200	43,750
1 National Health Service Pension Scheme	735,904		172,752		172,752		50,200	
Food Standards Agency	82,159	88,147	125,465	123,256	125,465	113,288	120,349	117,675
1 Protecting and promoting public health in relation to food	82,159		125,465		125,465		120,349	
Department for Transport, Local Government and the Regions	48,359,381	48,761,623	45,306,073	52,620,120	54,427,105	51,663,133	56,670,317	54,044,653
1 Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action, and improving health and safety	6,039,357		8,062,692		7,595,189		9,107,626	
2 Promoting modern, integrated and safe transport and providing customer-focused regulation	6,365,379		9,191,582		9,032,228		8,260,754	
3 Promoting a system of elected government responding to the needs of local communities	35,242,801		37,501,396		37,350,730		37,300,698	
4 Providing for the administration of the Department for Transport, Local Government and the Regions and the Health and Safety Commission to meet the best objectives	424,944		530,803		459,058		501,239	
Office of the Rail Regulator	1,398	254	199	1	—	—	1	2,159
1 To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulations	1,398		199		—		1	

Section 4.
Summary of Supply Estimates

Table 2 Supply Estimates by department and request for resources (Continued)

£000s

RfR Service	2000-2001		2001-2002 (1)		Forecast outturn		2002-2003	
	Outturn		Total provision		Forecast outturn		Total provision	
	Net resources (2)	Net cash requirement	Net resources (2)	Net cash requirement	Net resources (2)	Net cash requirement	Net resources (2)	Net cash requirement
Home Office	8,670,663	8,384,221	10,387,122	10,629,249	10,421,122	10,320,349	10,347,036	10,227,494
1 Building a safe, just and tolerant society	6,941,823		8,346,354		8,184,354		8,018,460	
2 Protecting the public by holding prisoners in decent conditions and reducing re-offending after release	2,128,870		2,240,768		2,236,768		2,328,576	
Charity Commission	21,281	21,920	23,063	23,560	23,063	23,560	25,785	26,244
1 Giving the public confidence in the integrity of charities	21,281		23,063		23,063		25,785	
Lord Chancellor's Department	2,507,409	2,390,220	2,780,918	2,662,145	2,780,918	2,662,145	2,670,071	2,519,462
1 To promote the development of a modern, fair, cost effective and efficient system of justice (overall)	2,507,409		2,780,918		2,780,918		2,670,071	
Northern Ireland Court Service	70,740	60,770	85,643	85,643	80,209	78,108	95,434	88,034
1 Supporting the effective and efficient administration of justice in Northern Ireland	29,239		37,609		34,609		52,546	
2 Enabling the Legal Aid Department of the Law Society of Northern Ireland to provide timely, accurate and cost effective legal aid administration and expenditure control	41,490		48,074		45,600		42,888	
Public Record Office	28,789	21,104	35,715	25,731	32,365	23,731	35,496	27,148
1 Assisting and promoting the study of the past in order to inform the present and the future	28,789		35,715		32,365		35,496	
The Crown Prosecution Service	347,800	351,883	402,635	412,783	392,635	395,742	397,598	392,942
1 Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	347,800		402,635		392,635		397,598	
Serious Fraud Office	20,049	19,660	21,250	21,850	21,250	21,850	21,750	22,350
1 Reducing fraud and the cost of fraud and delivering justice and the rule of law	20,049		21,250		21,250		21,750	
HM Procurator General & Treasury Solicitor	9,569	7,533	14,998	13,494	14,998	13,494	14,543	14,806
1 Providing comprehensive & competitive legal services to government departments & publicly funded bodies	9,569		14,998		14,998		14,543	
Ministry of Defence	34,761,463	24,964,008	32,999,716	27,188,128	32,869,830	27,048,251	32,815,674	26,091,927
1 Provision of Defence Capability	31,349,681		31,185,847		31,185,847		31,287,813	
2 Conflict prevention			573,177		443,300		341,141	
3 War Pensions and Allowances, etc	1,411,782		1,240,692		1,240,692		1,186,720	
Armed Forces Retired Pay, Pensions etc	1,231,598	1,222,435	1,426,001	1,444,001	1,426,001	1,444,001	1,401,131	1,412,956
2 Armed Forces Retired Pay, Pensions etc	1,231,598		1,426,001		1,426,001		1,401,131	
Foreign and Commonwealth Office	1,544,578	1,317,252	1,447,709	1,391,604	1,447,709	1,391,604	1,512,870	1,445,826
1 Promoting internationally the interests of the UK and contributing to a strong world community	1,544,578		1,238,201		1,238,201		1,366,325	
2 Conflict Prevention			211,508		211,508		246,545	
International Development	2,376,358	2,113,649	2,562,803	2,497,192	2,496,789	2,447,192	2,567,221	2,528,185
1 Eliminating Poverty in Poorer Countries	2,376,358		2,534,553		2,468,530		2,531,567	
2 Conflict Prevention			28,250		28,259		35,654	
DFID: Overseas Superannuation	123,486	123,944	121,078	121,879	121,078	121,879	118,336	118,334
1 Overseas Superannuation	123,486		121,078		121,078		118,336	
Department of Trade and Industry	4,725,208	4,772,753	4,435,095	4,331,658	4,435,095	4,331,658	4,287,030	4,198,596
1 Increasing UK Competitiveness	3,192,427		3,333,113		3,111,138		3,067,383	
2 Increasing Scientific Excellence in the UK and maximising its contribution to society	1,582,781		1,101,982		1,323,957		1,219,647	

**Section 4.
Summary of Supply Estimates**

Table 2 Supply Estimates by department and request for resources (Continued)

£000s

R/R Service	1999-2000		2001-2002 (1)		Forecast output		2002-2003	
	Net resources (2)	Net cash requirement	Net resources (2)	Net cash requirement	Net resources (2)	Net cash requirement	Net resources (2)	Net cash requirement
British Trade International	92,742	93,516	88,527	89,114	76,610	76,949	92,209	91,379
1 Enhanced competitiveness of companies in the UK through overseas sales and investment and a continuing high level of quality, foreign and direct investment	92,742		88,527		76,610		92,209	
Department of Trade and Industry: United Kingdom Atomic Energy Authority Superannuation Schemes	136,542	136,542	133,525	133,501	133,525	133,501	136,524	136,500
1 Effective management of United Kingdom Atomic Energy Authority Superannuation Schemes	136,542		133,525		133,525		136,524	
Export Credits Guarantee Department	114,331	1,271,189	330,308	1,041,929	330,308	1,041,929	226,633	368,583
1 Export Finance Assistance	54,909		313,124		315,124		226,633	
2 Trading Operations	40,598		15,184		15,184			
Office of Fair Trading	29,898	30,738	44,084	41,438	44,084	41,438	50,943	50,768
1 Advancing and safeguarding the economic interests of UK consumers	29,898		44,084		44,084		50,943	
Office of Telecommunications	1,251	903	1,357	1,725	1,357	1,725	759	544
1 Providing the best possible deal for telecommunications customers through effective competition	1,251		1,357		1,357		759	
Office of Gas and Electricity Markets	1	173	352	583	352	352	221	676
1 Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry	1		2		2		1	
2 Expenditure in connection with the Climate Change Levy			350		350		220	
Postal Services Commission	293	415	51	751	51	751	1	96
1 Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	293		51		51		1	
Department for Environment, Food and Rural Affairs	3,733,465	1,642,240	3,195,870	5,179,903	3,054,003	5,021,936	2,208,289	2,230,676
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, and to contribute to well-being of rural and coastal communities	3,884,218		2,640,192		2,438,323		1,968,190	
2 Funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee section as economically, efficiently and effectively as possible	199,227		555,678		555,678		240,099	
Forestry Commission	117,744	79,303	612,064	570,607	612,064	570,607	103,765	59,793
1 Protecting and expanding Britain's woodlands and increasing their value to society and the environment	117,744		612,064		612,064		103,765	
Office of Water Services	1	203	1	35	1	35	1	35
1 Regulation of the Water Industry	1		1		1		1	
Department for Culture, Media and Sport	3,167,172	3,200,678	3,352,093	3,258,314	3,265,447	3,246,858	3,484,213	3,478,787
1 Improving the quality of life through cultural and sporting activities	980,846		1,149,363		1,065,717		1,229,233	
2 Broadening access to a rich and varied cultural and sporting life through some Broadcasting	2,086,326		2,202,730		2,202,730		2,254,984	
Department for Work and Pensions	52,465,921	51,700,327	56,428,382	56,642,895	55,823,464	55,731,367	56,378,751	56,223,393
1 Ensuring the best start for all children and ending child poverty in 20 years	8,970,484		9,162,303		9,108,013		9,184,819	
3 Promoting work as the best form of welfare for people of working age, while protecting the position of those in greatest need	26,889,744		27,995,421		27,175,255		28,091,403	
4 Combating poverty and promoting security and independence in retirement for today's and tomorrow's pensioners	16,358,409		17,701,602		17,677,137		18,144,989	

**Section 4.
Summary of Supply Estimates**

Table 2 Supply Estimates by department and request for resources (Continued)

£000s

RFR Service	2000-2001 Outturn		2001-2002 (3) Total provision		Forecast outturn		2002-2003 Total provision	
	Net resources (2)	Net cash requirement	Net resources (2)	Net cash requirement	Net resources (2)	Net cash requirement	Net resources (2)	Net cash requirement
4 Modernising welfare delivery so as to improve the necessity and accuracy of services			487,984		487,984		151,884	
5 Corporate contracts, support services and administration of the European Social Fund for England	247,284		1,076,072		1,076,072		345,636	
Scotland Office	14,103,787	14,103,377	16,260,932	16,260,515	16,260,932	16,260,515	16,563,342	16,562,992
Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	14,103,787		16,260,932		16,260,932		16,563,342	
Wales Office	7,598,713	7,598,916	7,907,446	7,908,077	7,907,446	7,908,077	8,671,983	8,672,614
1 Support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales, and ensuring the smooth working of the devolution settlement in Wales	7,598,713		7,907,446		7,907,446		8,671,983	
Northern Ireland Office	6,698,295	6,189,979	9,173,207	9,175,767	9,173,207	9,175,767	9,267,614	9,268,796
1 Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland within 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	968,295		3,174,207		3,173,207		1,779,614	
2 Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 2000	5,730,000		5,999,000		5,999,000		7,488,000	
HM Treasury	269,049	2,688	332,227	247,615	332,227	247,615	200,931	163,059
1 Raising the rate of sustainable growth, and achieving rising prosperity, through creating economic and employment opportunities for all	212,140		204,410		204,410		202,564	
2 Cost effective management of the supply of coins and actions to protect the integrity of coinage	42,208		40,466		40,466		38,366	
3 Obtaining the best value for money from Government's commercial relationships on a sustainable basis	14,701		87,351		87,351			
HM Customs and Excise	954,312	866,430	1,101,574	1,137,113	1,068,431	1,091,510	1,055,887	1,049,170
1 Administering the indirect tax and customs control systems fairly and efficiently and enabling individuals and businesses to understand and comply with their obligations	954,312		1,101,574		1,068,431		1,055,887	
Inland Revenue	2,269,179	2,100,200	2,555,892	2,537,835	2,445,302	2,417,355	2,687,472	2,536,094
1 Enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue	2,040,649		2,266,590		2,156,590		2,380,871	
2 Growing a contribution to the good management of property where the public interest is involved	1,055		3		2		1	
3 Providing payments in lieu of tax relief to certain bodies	208,803		289,099		288,000		193,000	
4 Making payments of rates to Local Authorities on behalf of certain bodies	20,812		31,210		31,210		28,500	
National Savings and Investments	165,561	167,498	181,172	176,215	181,172	176,215	159,170	154,608
1 Reducing the costs to the taxpayer of government borrowing	165,561		181,172		181,172		159,170	
National Investment and Loans Office	188	1	338	350	3	103	246	280
1 Providing high quality financial services to public sector clients	188		338		3		246	

Section 4.
Summary of Supply Estimates

Table 2 Supply Estimates by department and request for resources (Continued)

£000s

RTR Service	2000-2001		2001-2002 (1)		Forecast 2002		2002-2003	
	Outturn resources (2)	Net cash requirement	Total provision resources (2)	Net cash requirement	Forecast resources (2)	Net cash requirement	Total provision resources (2)	Net cash requirement
Office for National Statistics	147,227	137,752	202,298	199,445	206,098	201,765	133,258	143,354
1 Providing Statistical and Registration Services	147,227		202,298		206,098		133,258	
Government Actuary's Department	41	793	688	685	688	685	896	905
1 Providing an actuarial and consultancy service	41		688		688		896	
Crown Estate	1,914	1,906	2,075	2,067	2,075	2,067	1,931	1,903
1 To maintain and enhance the value of the Crown Estate and the return obtained from it	1,914		2,075		2,075		1,931	
Cabinet Office	246,881	293,095	357,780	398,952	357,780	398,952	314,326	311,739
1 Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	246,881		357,780		357,780		314,326	
Security and Intelligence Agencies	864,972	752,276	1,014,134	973,952	1,014,134	973,952	944,865	762,876
1 Protecting and promoting the national security and economic well being of the UK	864,972		1,014,134		1,014,134		911,634	
2 Security Service and Secret Intelligence Service superannuation							33,231	
Civil Superannuation	1,330,452	1,345,319	1,325,656	1,325,400	1,427,400	1,346,032	1,176,927	1,246,298
1 Civil Superannuation	1,330,452		1,325,656		1,427,400		1,176,927	
Central Office of Information	816	811	811	806	811	806	716	711
1 Achieving maximum communication effectiveness with best value for money	816		811		811		716	
Privy Council Office	2,981	3,079	3,214	3,202	3,214	3,202	2,801	2,798
1 Ensuring the orderly conduct of Privy Council Office business	2,981		3,214		3,214		2,801	
Office of the Parliamentary Commissioner and Health Service Commissioner for England	13,553	12,594	15,760	14,943	15,760	14,943	15,799	14,878
1 To undertake the work of the Parliamentary Commissioner for Administration and Health Service Commissioner for England	13,553		15,760		15,760		15,799	
House of Lords	67,484	45,745	74,933	59,763	74,933	59,763	85,303	57,408
1 Peers' Expenses and Administration	30,750		34,277		34,277		39,181	
2 Works Services	36,734		40,656		40,656		46,122	
House of Commons	94,678	94,678	125,605	127,882	113,871	113,762	136,162	134,122
1 Members' salaries etc	89,479		120,258		108,324		130,807	
2 Grants to other bodies	5,199		5,347		5,347		5,355	
House of Commons: administration	104,655	160,507	198,795	86,576	192,795	60,264	213,382	141,175
1 House of Commons administration	104,655		198,795		191,736		212,202	
2 Grants to other bodies			0		1,059		1,180	
National Audit Office	42,844	45,160	48,628	49,305	45,339	49,145	48,025	51,614
1 Providing independent assurance to Parliament on central government expenditure	42,844		48,628		45,339		48,025	
Electoral Commission	694	1,368	7,516	8,924	6,350	6,778	20,284	20,346
1 Electoral Commission	694		7,516		6,350		20,284	
Registry of Friendly Societies		2,411		2,750		2,110		
Total	268,699,165	241,241,530	294,881,785	279,347,418	280,498,006	275,317,176	290,867,441	281,976,314

(1) Figures for 2000-01 and 2001-02 are the best available estimates of the outturn and provision in those years adjusted for transfer, classification and machinery of government changes to reflect the 2002-03 Estimate structure.

(2) Total resources net of operating appropriations in aid.

Department for Education and Skills

Introduction

1. This Estimate provides for expenditure by the Department for Education and Skills, the Sure Start Unit and the Children and Young People's Unit in pursuit of the functions reflected in the section headings. It also provides for administrative expenditure by those bodies used in implementing and evaluating policy and on central services.
2. Note 8 to the Estimate breaks down the totals in each section by function. More details about the expenditure supporting the Department's objectives are set out in Sections C to F respectively of the Departmental report.
3. Sure Start is a cross-departmental programme which is overseen by a Ministerial Steering Group chaired by the Parliamentary Under Secretary of State for Public Health involving ministers from the Department of Education and Skills; Department of Health; Department for Work and Pensions; Department for Environment, Food and Rural Affairs; Department for Transport, Local Government and Regions; Department of Culture, Media and Sport; the Home Office; Lord Chancellor's Department; Cabinet Office and HM Treasury. It has its own Public Service Agreement and the Ministers responsible for this Public Service Agreement are the Parliamentary Under Secretary of State for Public Health, and the Secretary of State for Education and Skills, as the responsible Cabinet Minister.
4. The Children and Young People's Unit is a cross-departmental unit responsible for developing and communicating the Government's overarching policies for children and young people, particularly those facing poverty and disadvantage. It administers the Children's Fund. It reports to the Minister for Young People. The Secretary of State for Education and Skills is accountable for the Unit to Parliament.
5. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills	21,691,108,000
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start	448,486,000
RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund	150,000,000
Total net resource requirement	22,289,594,000
Net cash requirement	23,535,975,000

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

RfR1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills

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

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

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

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

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

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

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	21,691,108,000	9,267,368,000	12,423,740,000
RfR2	448,486,000	137,531,000	310,955,000
RfR3	150,000,000	45,000,000	105,000,000
Total Net resource requirement	22,289,594,000	9,449,899,000	12,839,695,000
Net cash requirement	23,535,975,000	10,126,286,000	13,409,689,000

Part II: Subhead detail

£'000

	Resources						Capital	2002-03	2001-02	2000-01				
	1	2	3	4	5	6					7	8	9	10
	Agenda	Other current	Grants	Gross Total	VGA	Net Total					Capital	Non-operating At/A	Net Total Resource	Net Total Resources
R(R) 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	220,425	315,024	21,165,938	21,901,387	19,279	21,691,108	2,216,764	326,931	19,268,615	15,774,596				
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)														
<i>Central Government spending</i>														
*A Support for Schools and Teachers (act. only) through Local Education Authorities		15,000	647,311	662,311	865	661,446			481,144	412,297				
*B Children			186,200	186,201	1	186,200			161,300	161,253				
*C Support for Young People		34,366	483,936	518,272		518,272			401,996	1,122,449				
*D Higher Education		6,892	130,905	137,797	76	137,721			171,723	130,149				
*E Further Education, Adult Learning and Skills and Lifelong Learning		227,756	321,336	548,492	1,100	547,392	20,000		473,340	514,340				
F Support for Students in Higher Education			1,455,439	1,455,439		1,455,439			1,476,577	1,145,585				
*G Activities to Support all Functions		210,636	31,610	1,030	243,276	8,027	235,249	10,074	575	244,207	233,254			
H Compensation to Former College of Education Staff				10,951		10,951			11,761	5,223				
<i>Support for Local Authorities</i>														
*I Grants for Local Education Authorities to Support Schools and Teachers			3,180,322	3,180,322		3,180,322	610	1,356	2,981,314	2,073,920				
J Higher Education Fees and Awards through Local Education Authorities			60,400	60,400		60,400			121,800	317,999				
*K Education Maintenance Allowances			186,305	186,305		186,305			170,925					
*L Learning Partnership Fund			6,300	6,300		6,300				6,300				
SPENDING IN ANNUALLY MANAGED EXPENDITURE														
<i>Non-Cash items</i>														
M Cost of Capital, Depreciation and Provision				9,789		9,789			12,389	11,060				
Interest Receipts on loans to VA Schools									-294					
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS														
N Capital Grants to Schools and Other Educational Institutions plus Grant in Aid to NDPBs			2,160,439	2,160,439	210	2,160,229			2,116,515	1,737,464				
O Capital Grants			3,000	3,000		3,000								
P Capital Support for Young People			5,520	520		5,520			15,000					
Q Loans, Capital Grants and Grant in Aid to NDPBs supporting Higher Education			4,958,518	4,958,518		4,958,518	2,186,100	725,000	4,700,179	4,364,635				
R Capital Grants Supporting Further and Adult Education and Grant in Aid to NDPBs			7,348,055	7,348,055		7,348,055			5,715,540	3,606,132				
Activities to Support all Functions outside DEL									1,200	4,089				

Part II: Subhead detail

£'000

Resources						Capital	2002-03	2001-02	2000-01	
1	2	3	4	5	6	7	8	9	10	
Admin	Other	Grants	Gross	AinA	Net Total	Capital	Non-operating	Net Total	Net Total	
	Grants		Total				AinA	Resource	Resource	
R1R2: Promoting the physical, intellectual and social development of babies and young children through Sure Start										
4,099	5,711	438,676	448,486	—	448,486	1,025	—	205,278	55,785	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A.A. Sure Start Administration Costs and Current Grants										
4,099	5,600	275,693	285,392	—	285,392	1,025	—	125,833	36,588	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash Items</i>										
B. Depreciation and Cost of Capital on Non-civil Estate										
—	111	—	111	—	111	—	—	—	—	
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
C. Sure Start Capital Grants										
—	—	162,983	162,983	—	162,983	—	—	79,445	19,187	
R1R3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund										
4,435	—	145,565	150,000	—	150,000	—	—	98,073	—	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A.A. The Children's Fund										
4,435	—	145,565	150,000	—	150,000	—	—	98,073	—	
Total	228,959	320,735	21,750,179	22,289,873	10,279	22,289,594	2,217,809	326,931	19,571,966	15,830,381

Part II: Resource to Cash reconciliation

£'000

	2002-03	2001-02	2000-01
	provision	provision	outturn
Net Total Resources	22,289,594	19,571,966	15,830,381
Voted Capital Items			
Capital	2,217,809	2,267,297	1,876,447
Less Non-operating AinA	326,931	228,641	147,164
	1,890,878	2,038,656	1,729,283
Accruals to cash adjustment			
Cost of capital charges	3,565	3,504	2,424
Depreciation	-8,619	-9,920	-9,631
New provisions and adjustments to previous provisions	-1,251	-2,500	-2,293
Other non-cash items	-636,562	-691,162	-684,797
Increase (+)/Decrease (-) in stock	—	—	177
Increase (+)/Decrease (-) in debtors	5,500	14,000	54,362
Increase (-)/Decrease (+) in creditors	—	182,300	12,798
Use of provisions	—	—	—
Total accruals to cash adjustments	-644,497	510,786	657,404
Excess cash to be CFERd	—	—	—
Net Cash Requirement	23,535,975	21,099,836	16,902,260

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002–03		2001–02		2000–01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	—	—	33,000	<i>33,000</i>	9,473	<i>9,473</i>
Non-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	—	—	33,000	<i>33,000</i>	9,473	<i>9,473</i>

Forecast Operating Cost Statement

	£'000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Administration Costs			
Request for Resources 1	212,818	225,122	218,763
Request for Resources 2	4,099	3,890	1,905
Request for Resources 3	4,435	2,491	—
Total Net Administration costs	221,352	231,503	220,668
Net Programme Costs			
Request for Resources 1	21,478,290	19,010,493	15,546,360
Request for Resources 2	444,387	201,388	53,880
Request for Resources 3	145,565	95,582	—
Total Net Programme costs	22,068,242	19,307,463	15,600,240
TOTAL NET OPERATING COST	22,289,594	19,538,966	15,820,908
<i>of which:</i>			
NET RESOURCE OUTTURN	22,289,594	19,571,966	15,830,381
CFERs	—	– 33,000	– 9,473
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN	20,081,531	17,337,298	14,217,013

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£'000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	22,289,594	19,571,966	15,830,381
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	—	- 33,000	- 9,473
Net Operating Costs (Accounts)	22,289,594	19,538,966	15,820,908
<i>Adjustments for:</i>			
Full resource consumption of non-departmental public bodies	- 413,205	- 309,131	- 196,002
Capital grants to the private sector and local authorities	- 1,824,858	- 1,921,337	- 1,403,938
Gains/losses from sale of capital assets	—	- 1,200	- 4,089
European Union income and related adjustments	—	—	134
Unallocated resource provision	30,000	30,000	—
Resource Budget Outturn (Budget)	20,081,531	17,337,298	14,217,013
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	19,984,077	17,238,849	14,125,472
Spending in Employment Opportunities Fund (EOF)	—	—	7,844
DEL			
Annually Managed Expenditure (AME)	97,454	98,449	83,697

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	1,890,878	2,038,656	1,729,283
Full capital expenditure by non-departmental public bodies	501,959	405,251	320,504
Capital grants to the private sector, LAs and PCs	1,824,858	1,921,337	1,403,938
Gains/losses from sale of capital assets	—	1,200	4,089
Local authority credit approvals	806,200	565,200	546,100
Student Loan Cash Payments	- 1,861,100	- 2,029,600	- 1,719,995
Capital Budget Outturn	3,162,795	2,902,044	2,283,919
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	3,161,595	2,900,844	1,580,368
Spending in Employment Opportunities Fund (EOF)	—	—	702,351
DEL			
Annually Managed Expenditure (AME)	1,200	1,200	1,200

Explanation of Accounting Officer Responsibilities

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

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

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

Request for Resources 1:	Mr David Normington, Principal Accounting Officer and Permanent Head of the Department.
Request for Resources 2:	Ms Naomi Eisenstadt, Additional Accounting Officer: Director of Sure Start Unit
Request for Resources 3:	Ms Althea Efunshile, Additional Accounting Officer: Director of the Children and Young People's Unit

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

Analysis of Appropriations in Aid

	2002–03 provision		2001–02 provision		2000–01 outturn		£000
	Operating AinA	Non- operating AinA	Operating AinA	Non- operating AinA	Operating AinA	Non- operating AinA	
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning, releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills							
Educational qualifications	150	—	932	—	309	—	
ERASMUS	76	—	64	—	61	—	
Promoting UK Education and support overseas	689	—	689	—	508	—	
Other International Receipts	25	—	24	—	133	—	
The International Maths Olympiad	—	—	25	—	—	—	
SENT receipts from Other Government Departments	—	—	—	—	71	—	
Support for Key Skills	—	—	125	—	—	—	
Education Transfer Council residual receipts	1	—	1	—	—	—	
Home Start receipt from the Home Office	—	—	324	—	—	—	
FAS residual property receipts	—	—	284	—	353	—	
Childcare Strategy	1	—	12,060	—	6,963	—	
Grant-maintained schools loan receipts	—	250	—	960	—	129	
Voluntary aided school capital	210	—	210	—	397	—	
Voluntary aided school loan repayments	—	1,106	—	1,106	—	814	

Analysis of Appropriations in Aid (*continued*)

	2002–03 provision		2001–02 provision		2000–01 outturn		£000
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
Voluntary aided school interest receipts	—	—	294	—	—	—	—
Sector Challenge	—	—	—	—	696	—	—
Career Development Loans	1,100	—	2,100	—	1,866	—	—
Individual Learning Accounts	—	—	83,000	—	29,625	—	—
Local Competitiveness Budget	—	—	—	—	60	—	—
HEROBIC	—	—	2,000	—	1,500	—	—
Publicity and evaluation	420	—	420	—	761	—	—
European Social Fund Support for departmental programmes	—	—	2,227	—	134	—	—
General Administration receipts	5,697	—	5,697	—	5,770	—	—
Rent from minor occupiers	1,910	—	1,910	—	2,122	—	—
Profit on Disposal of assets	—	—	—	—	—	—	—
Admin receipts – land	—	319	—	319	—	790	—
Admin receipts – other	—	256	—	256	—	84	—
Repayment of principal on student loans	—	325,000	—	226,000	—	145,347	—
TEC rent & property receipts	—	—	—	—	872	—	—
Receipt for Dance and Drama students	—	—	94	—	—	—	—
Higher Education Business Fellows (from DTI)	—	—	150	—	—	—	—
Small Business Service receipts for Investors in people	—	—	19	—	—	—	—
Higher Education Innovation Fund (from DTI)	—	—	20,000	—	—	—	—
Sale of Connexions priced publications	—	—	900	—	—	—	—
Sponsorship Funding	—	—	716	—	—	—	—
Receipts covering the return of assets from Training and Enterprise Councils as part of their winding-up process	—	—	95,000	—	—	—	—
Receipt from the DTI for the Science and Research Investment Fund	—	—	6,063	—	—	—	—
Community Champion receipts	—	—	124	—	58	—	—
Total RfR 1	10,279*	326,931**	235,168	228,641	52,259	147,164	

* Amount that may be applied as appropriations in aid in addition to the net total, arising from European Fast Stream receipts; repayment of career development loans; repayments of working capital loans; receipts in respect of Career Development Loans default recoveries by banks; sale of National Record of Achievement products; receipts in connection with Childcare Link; Training and Enterprise Councils (TECs) contributions towards the cost of Individual Learning Accounts; receipts covering the return of assets from TECs as part of their winding-up process; recovery of salaries, etc. for seconded staff; receipts from careers service conferences; receipts relating to Skills Training

Agency, Qualifications and Curriculum Authority properties and surplus Funding Agency for Schools and TEC properties; receipts from 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; receipt from the European Social Fund to cover departmental programmes supported by the EC; general administration receipts, including those in connection with services provided to Sure Start; profits on the sale of surplus equipment and other assets; repayment of fees and awards overpaid to Higher Education students; receipts from the Department of Trade and Industry in connection with the Higher Education Reach Out to Business and the Community Fund, the Higher Education Innovation Fund, Higher Education Business Fellows, Sector Challenge and the Science and Research Investment Fund; from the Home Office as a contribution to the Home Start programme; sales of Connexions priced publications; Sponsorship Funding; rent income from three domestic properties on the estate of the European School at Culham, Oxfordshire; contributions from the National Assembly for Wales towards Key Skills; contributions from the National Assembly for Wales and the Scottish Executive for dance and drama students; contribution from the Scottish Executive, the National Assembly for Wales, and the Northern Ireland Executive towards Millennium Volunteers and miscellaneous European Education programmes; contributions from the National Assembly for Wales and the Northern Ireland Executive for the International Mathematics Olympiad; annual maintenance fee from the Northern Ireland Executive for the National Professional Qualification for Headship; contributions from other government departments and other sources towards the costs of promoting UK education and training overseas; and of research and miscellaneous services and projects.

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

Total AiaA	10,279	326,931	235,168	228,641	52,259	147,164
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Analysis of Consolidated Fund Extra Receipts

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
DfES recovery of costs on goods and services	—	—	3,000	3,000	9,473	9,473
Repayment of interest on student loans	—	—	30,000	30,000	-	-
Total CFER's	—	—	33,000	33,000	9,473	9,473

DEL and administrative cost limits

Administration Costs Limits			£000
	Gross provision	Income	Total administration costs limit
Gross administration costs limits			
DfES Headquarters (RfR 1)	210,636	-1,910	208,726
Sure Start (RfR 2)	4,099		4,099
Children and Young People's Unit (RfR 3)	4,435	—	4,435
Gross administration costs limits	219,170	-1,910	217,260
Net administration costs limits			..
2002-03 Departmental Expenditure Limit			£000
	Voted	Non-Voted	Total
Resource DEL	7,641,389	12,342,688	19,984,077
Capital DEL	1,854,636	1,306,959	3,161,595
Total DEL	9,496,025	13,649,647	23,145,672

Comparisons of provision sought with final provision and forecast outturn for the the previous year

The total net resource sought for 2002-03 of £22,289,594,000 is 13.0 per cent higher than the final net provision for 2001-02 of £19,730,000,000 and 18.5 per cent higher than the forecast outturn of that year £18,807,000,000.

Expenditure resting on the sole authority of the Appropriation Act

£000

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

RfR 1 Section A: Joint United States/United Kingdom education commission (Fulbright Commission) ■

456

Adjustable advances

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

Cash which may be retained to offset expenditure

2002-03 provision	2001-02 provision	£'000 2000-01 outturn
337,210	479,809	215,246

Actual and Contingent Liabilities

As at 31 March 2002, the following liabilities fell to be met from the Department's Estimate:

	£000
Statutory	—
Non-Statutory	
The Department will meet the accrued Civil Service redundancy entitlement to date of resignation of secondees who resigned from the Department to take up Training and Enterprise (TEC) employment on or after 1 January 1993 in TECs in England and Wales if:	6,000
a their TEC makes them redundant due to direct government action during their first five years of employment	
b a court or tribunal ruled the TEC and Civil Service employment were continuous for redundancy calculation purposes.	
The Department will meet the redundancy and other staff related costs of any staff who transferred, with rights under the Transfer of Undertakings (Protection of Employment) regulations (TUPE), from TECs to the contractor responsible for delivery of the Individual Learning Accounts' National Framework.	1,000
The Department has and will continue to give indemnities to Training and Enterprise Councils (TECs), Chamber of Commerce Training and Enterprise Councils (CCTEs), their representative TEC bodies and those concerned with the wind up, transfer or continuation of TEC delivered activity, where this will facilitate the conclusion of the working and contractual relationship between TECs, CCTEs and Government, thereby ensuring the continuation of essential discretionary activity and the return of residual reserves owing to the Secretary of State at the earliest opportunity. The indemnities will include:	
— Liabilities that arise from audit work carried out in respect of the delivery of activities funded through the European Union initiatives or through the Single Regeneration Budget and other schemes sponsored by Government Departments other than DfES and DTI;	3,500
— Liabilities that arise from the transfer of TEC/CCTE functions to successors, including from staff who have transferred or been made redundant, who as a result of the transfer seek redress through the Employment Tribunal; and	2,000
— 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.	24,000

In order to ensure the Croydon Local Learning and Skills Council (LLSC) commences operations in April 2001 and because no suitable Training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CCTE) property exists in the Croydon LLSC area an indemnity to give a landlord a guarantee that, in the event of the Learning and Skills Council (LSC) ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LSC is an unknown body with no financial history.	6,880
In order to ensure the Learning and Skills Council (LSC) commences operations in April 2001 and because no suitable Training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CCTE) property exists in the Brighton, Manchester or Coventry area an indemnity to give landlords a guarantee that, in the event of the LSC ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LSC is an unknown body with no financial history.	76,000
In order to ensure the Adult Learning Inspectorate (ALI) commences operations in April 2001 and because no suitable Departmental property exists in the Coventry area an indemnity to give landlords a guarantee that, in the event of the ALI ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the ALI is an unknown body with no financial history.	8,700
An indemnity to cover the cost of re-assessing trainees who are disadvantaged by flaws in the awarding of National Vocational Qualifications by the Road Transport Industry Training Board	390

Grants in Aid

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

Non-Departmental Public Body	£m
Adult Learning Inspectorate (ALI)♥	21.3
Sector Skills Development Agency ¹	2.5
British Educational Communications and Technology Agency (BECTA)♦	4.8
Higher Education Funding Council for England (HEFCE)♥	4,889.2
Investors in People UK (IiP UK)♦	1.7
Learning and Skills Council♥	7,309.7
National College for School Leadership♦	56.3
Qualifications and Curriculum Authority♥	69.9
Student Loans Company♦	29.3
Teacher Training Agency♥	421.8
¹ The audit arrangements and grant in aid for the Sector Skills Development Agency were not yet finalised at time of publication.	
Public Corporation	£m
General Teaching Council♥	1.7

International Subscriptions

The Estimate includes provision to reimburse the Department for Work and Pensions for payments made by the Joint International Unit for International Education Programmes and the annual membership subscription of the International Labour Organisation.

8. RfRI Sections by function

Estimate Section	Function/Programme	Resource £ million	Capital £ million
A	Assisted Places Scheme	46.5	
	Music and Ballet Scheme	12.6	
	City Technology Colleges	69.7	
	Qualifications (other than through the QCA)	43.0	
	Early Years/Under Fives	17.5	
	International Services	19.5	
	Education Action Zones	61	
	Modernising the Teaching profession (other than through the Teacher's Training Agency)	222.6	
	Other Miscellaneous Programmes	169	
		Subtotal	443.4
B	Childcare	186.2	
		Subtotal	186.2
C	Connexions	444.3	
	National Youth Associations/National Voluntary Youth Organisations/Transforming Youth Work Development Fund	18.2	
	Neighbourhood Support Fund	10	
	Millennium Volunteers	15	
	Educational Maintenance Allowances (not through Local Authorities)	5.4	
	Other Miscellaneous Programmes	25.4	
		Subtotal	518.3

Estimate Section	Function/Programme	Resource £ million	Capital £ million
D	Student Support (other than through the Student Loans Company)	1.5	
	Higher Education Initiatives (other than through HEFCE)	18.9	
	Access Funds	121.3	
	British Academy	13	
	EUI Subscription	3	
	Subtotal		157.5
E	Further Education Initiatives (other than through the Learning and Skills Council)	53.2	
	FE Student Loans		20
	Education in prisons and other custodial institutions	65.7	
	Adult Basic Skills and Adult Learning	142.4	
	Payments to support Regional Development Agencies	47.5	
	Individual Learning Accounts	72	
	Career Development for Adults	31.8	
	Inward Investment	3	
	Improving the Training Market	53.8	
	Community Champions	2.8	
	University for INdustry	56.7	
	ILO subscription	7.2	
	Union Learning Fund	7	
	Learning Partnership Fund (not through Local Authorities)	3.7	
Subtotal		546.9	20
F	Tuition Fees and dependants Allowances paid through the Student Loans Company	591.4	
	Student Loans	863.5	
	Other miscellaneous programmes	7	
	Subtotal		1,455.4
G	Departmental administration	203	9.5
	Publicity and Research	25.2	
	Other Miscellaneous programmes	7	
	Subtotal		235.2
H	Compensation to former college of education staff	11	
I	Grants to Local Education Authorities to support Schools and Teachers	3,180.3	(0.7)
J	Higher Education Fees and Awards (through Local Education Authorities)	60.4	
K	Education Maintenance Allowances (through Local Education Authorities)	186.3	
L	Learning Partnership Fund (through Local Authorities)	6.3	
M	Non cash items (Depreciation, cost of capital and provisions)	9.8	

Estimate Section	Function/Programme	Resource £ million	Capital £ million
N	Capital Grants:		
	VA and former Grant Maintained Schools	285.7	
	Standards Fund	1,168.9	
	City Academy	46	
	City Technology Colleges Capital	2.6	
	Nursery Places Capital	20	
	CMF projects	116.5	
	Grant in Aid to Non-Departmental Public Bodies:		
	Teacher Training Agency	384.5	
	British Educational Communications and Technology Agency (BECTA)	4.8	
	Qualifications and Curriculum Authority	69.9	
	National College for School Leadership	61.2	
	Subtotal	2,160.2	
O	Childcare Capital	3	
P	Capital support for Young People	5.5	
Q	Student Loan payments		1,861.1
	CMF projects	14.9	
	Grant in Aid to Non-Departmental Public Bodies:		
	Higher Education Funding Council for England	4,924.3	
	Student Loans Company	29.3	
	Subtotal	4,958.5	1,861.1
R	Capital Grants:		
	Adult Basic Skills	4	
	CMF projects	4.4	
	Grant in Aid to Non-Departmental Public Bodies:		
	Learning and Skills Council	7,314.7	
	Adult Learning Inspectorate	21.3	
	tiP UK Ltd	1.7	
General Teaching Council	1.7		
	Subtotal	7,339.2	
	Total	21,445.6	1,889.9

Teachers' Pension Scheme

Introduction

1. This Estimate provides for the payments of pensions and lump sum benefits to persons covered by the Teachers' Pension Scheme (TPS). The rules of the scheme are contained in the Teachers' Pensions Regulations 1997. The scheme applies mainly to teachers employed in schools in England and Wales and their dependants. Provision is made for the refund of contributions to early leavers, and for the payment of and receipt of transfer payments in respect of teachers moving out of and into employment covered by the scheme. The Estimate also includes the increases payable in accordance with the Annual Review Orders made under section 59 of the Social Security Pensions Act 1975 and section 109 of the Pensions Schemes Act 1993.
2. The TPS is notionally funded. Part of its income consists of actual receipts, eg contributions from employers and employees, transfer payments from other superannuation schemes, etc. These are appropriated in aid of this Estimate to meet expenditure on benefits, although in practice there need be no correlation between receipts and expenditure.
3. Benefits and contributions are carried to a statutory account and valued quinquennially by the Government Actuary. The deficiency revealed as at 31 March 1996 was £3,960 million and this falls to be met by the employers over a period of 40 years.
4. The Estimate also contains provisions for premature retirement compensation payments made on behalf of employers (where the Department for Education and Skills is not the compensating authority) and for the recovery of the costs of these payments from employers.
5. Symbols are explained in the Introduction to this booklet.

Part I

RfR1: Teachers' pensions	£ 1,760,000,000
Total net resource requirement	1,760,000,000
Net cash requirement	1,760,000,000

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

RfR1: Teachers' pensions

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

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

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	1,760,000,000	765,000,000	995,000,000
Total Net resource requirement	1,760,000,000	765,000,000	995,000,000
Net cash requirement	1,760,000,000	765,000,000	995,000,000

Part II: Subhead detail

Resources							Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	Provision	Outturn	
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources	
		4,220,000	4,220,000	2,460,000	1,760,000			1,700,001	1,642,983	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
A	Pension and associated payments	4,220,000	4,220,000	2,460,000	1,760,000			1,700,001	1,642,983	
Total		4,220,000	4,220,000	2,460,000	1,760,000			1,700,001	1,642,983	

Part II: Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Total Resources	1,760,000	1,700,001	1,642,983
Voted Capital Items			
Capital	—	—	—
Less Non-operating A-in-A	—	—	—
Accruals to cash adjustment			
Cost of capital charges	—	—	—
Depreciation	—	—	—
New provisions and adjustments to previous provisions	—	—	—
Other non-cash items	—	—	—
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	—	—	7,242
Increase (-)/Decrease (+) in creditors	—	—	-7,788
Use of provisions	—	—	—
Total accruals to cash adjustments	—	—	546
Excess cash to be CFERd	—	—	—
Net Cash Requirement	1,760,000	1,700,001	1,642,437

Part III: Extra Receipts payable to the Consolidated Fund

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

	2002-03		2001-02		2000-01	
	Income	Receipts	Income	Receipts	Income	Receipts
Operating income not classified as AinA			50,000	50,000	68,346	80,248
Non-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	735	738
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	—	—	50,000	50,000	69,081	80,986

Forecast Combined Revenue Account

	2002-03 provision	2001-02 provision	2000-01 outturn
Programme Costs			
Income			
Contributions receivable	2,359,530	2,143,322	1,929,750
Transfers in	67,000	85,000	124,500
Other income	33,470	71,700	89,096
	2,460,000	2,300,022	2,143,346
Expenditure			
Benefits payable	4,064,000	3,821,323	3,569,263
Leavers	131,750	90,000	111,540
Other expenditure	24,250	38,700	37,180
	4,220,000	3,950,023	3,717,983
Net Programme Cost	1,760,000	1,650,001	1,574,637
Net Operating Cost	1,760,000	1,650,001	1,574,637
<i>of which:</i>			
Net Resource Outturn	1,760,000	17,00,001	1,642,983
CFERs	-	- 50,000	- 68,346
Resource Budget Outturn	1,760,000	1,650,001	1,574,637

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	1,760,000	1,700,001	1,642,983
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	—	– 50,000	– 68,346
Net Operating Costs (Accounts)	1,760,000	1,650,001	1,574,637
Resource Budget Outturn (Budget)	1,760,000	1,650,001	1,574,637
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	—	—	
Annually Managed Expenditure (AME)	1,760,000	1,650,001	1,574,637

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of the Department for Education and Skills, Mr David Normington, as Accounting Officer for the Teachers' Pension Scheme (England and Wales), with responsibility for preparing the Estimate in respect of the Scheme.

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

Analysis of Appropriations in Aid

	£000					
	2002–03 provision		2001–02 provision		2000–01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
Payments of pensions and lump sum benefits to persons covered by the scheme	2,460,000	—	2,250,022	—	2,075,000	—
Total	2,460,000*	—	2,250,022	—	2,075,000	—

* Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts from employees and employers superannuation contributions; transfer values received; deductions from returns of superannuation contributions towards payment in lieu of graduated national insurance contributions equivalent premiums; recovery of contributions equivalent premiums from the state pension scheme; amounts received from employers of teachers' scheme members in reimbursement of the costs of premature retirement compensation payments on their behalf by Capita.

Analysis of Consolidated Fund Extra Receipts

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Over-recovery of appropriations in aid	—	—	50,000	50,000	68,346	80,248
Miscellaneous receipts	—	—	—	—	735	738
Total			50,000	50,000	69,081	80,986

Comparisons of provision sought with final provision and forecast outturn for previous year

The provision sought for 2002-03 is 3.53 per cent higher than the final net provision and estimated outturn for 2001-02 of £1,700,000,000.

Cash which may be retained to offset expenditure

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

	£'000		
	2002-03 provision	2001-02 provision	2000-01 outturn
	2,460,000	2,250,022	2,075,000

Contingent liabilities

As at 31 March 2002, the following liabilities fell to be met from the Estimate:

	Amount £'000
Teachers' Pension Scheme. A very remote contingent liability to make payments to pensions relating to Additional Voluntary Contributions. This would be in the unlikely event of default of the private insurance company.	Unquantifiable

Office of Her Majesty's Chief Inspector of Schools in England

Introduction

1. The Office of Her Majesty's Chief Inspector (OHMCI) was established on 1 September 1992 under the Education (Schools) Act 1992 (now the School Inspections Act 1996) and conducts business under the name of OFSTED (Office for Standards in Education). Her Majesty's Chief Inspector (HMCI) has a general responsibility to keep the Secretary of State for Education and Employment informed about the quality, standards and financial efficiency of schools and nursery providers in England and the development of pupils within those schools. HMCI is also responsible for the inspection of Local Education Authorities (LEAs), further education for students up to age 19 and from September 2001 the regulation of childcare and early education. HMCI, specifically, gives advice based on inspection, of teacher training and education (initial and in-service) to the Secretary of State and the Teacher Training Agency. In addition, HMCI's remit also includes giving advice, inspecting and reporting on matters relating to education in general and on issues or institutions as requested by the Secretary of State; running the system of inspection of schools and of other educational institutions, funded nursery providers and LEAs in England; and other functions required by the Secretary of State. Other responsibilities are specified in the School Inspections Act 1996, the Further and Higher Education Act 1992, the Education Acts 1994 and 1997, the School Standards and Framework Act 1998, the Teaching and Higher Education Act 1998, the Care Standards Act 2000 and the Learning and Skills Act 2000. Subject to the passage of the Education Bill, HMCI's remit will include the home carers scheme and the inspection of independent schools.

2. The Estimate covers one Request for Resource (RfR1): To help improve the quality and standards of education and childcare through independent inspection regulation and advice. The RfR1 is split into two areas: Departmental Expenditure limits (DEL) and Annually Managed Expenditure (AME). The DEL expenditure includes the costs of inspections carried out by Her Majesty's Inspectors (HMI), Childcare Inspectors (CCI) and by contractors, the regulation of childcare, the provision of advice to the Department for Education and Employment and other departments, the publication of reports and advice on best practice, provision of publicity materials, commissioned research relevant to OHMCI's responsibilities and running invitation conferences. The AME expenditure includes the depreciation and cost of capital charges incurred by the department. The RfR also contains other associated non-cash items.

3. Expenditure contained in the Estimate is explained in Chapters 3 & 14 of the Department for Education and Skills Departmental Report 2002 (Cm 5402).

4. The provision sought includes £0.5 million other current funding for preparatory work relating to the home carers scheme and the inspection of independent schools which are subject to the passage of the Education Bill. The provision sought will not be used for the new service nor for any other purpose until the enabling legislation has been enacted, or in the event of the legislation not passing into law, further authority has been obtained from Parliament.

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

Part I

	£
RfR1: Improving the quality and standards of education and childcare through independent inspection, regulation and advice	199,011,000†
Net cash requirement	196,882,000

Amounts required in the year ending 31 March 2003, for expenditure by the Office of Her Majesty's Chief Inspector of Schools in England on:

RfR1: Improving the quality and standards of education and childcare through independent inspection, regulation and advice

the inspection of schools (including independent schools), other educational institutions, early education providers, local education authorities, teacher training (institutions and in-service training) and the regulation of childcare to schools and for over sevens, for young children including the inspection of the home carers and the investors in children schemes as well as the inspection of education for 16 to 19 year olds and associated non-cash items.

The Office of Her Majesty's Chief Inspector of Schools in England will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	199,011,000	69,450,000	129,561,000
Net cash requirement	196,882,000	74,732,000	122,150,000

† £0.5 million of the total is for preparatory work and is subject to the passage of the Education Bill, which has been laid before Parliament.

Part II: Subhead detail

£'000

Resources	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6	7	8	9	10
	Admin	Other current	Grants	Gross Total	Ain-A	Net Total	Capital	Non-operating A-in-A	Net Total Resource	Net Total Resources
RRI: Improving the quality and standards of education and childcare through independent inspection regulation and advice										
	30,095	173,166	—	203,261	4,250	199,011	2,200	—	155,428	104,228
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
* A Administration and Inspection	30,095	169,155	—	199,250	4,250	195,000	2,200	—	152,019	102,577
SPENDING IN ANNUALLY MANAGED EXPENDITURE (AME)										
<i>Non-Cash Items</i>										
B Administration and Inspection	—	4,011	—	4,011	—	4,011	—	—	3,409	1,651
Total	30,095	173,166	—	203,261	4,250	199,011	2,200	—	155,428	104,228

Part II: Resource to cash reconciliation

£'000

	2002-03 provision	2001-02 provision	2000-01 provision
Net Total Resources	199,011	155,428	104,228
Voted Capital Items			
Capital	2,200	12,581	1,641
Less Non-operating A-in-A	—	—	—
	2,200	12,581	1,641
Accruals to cash adjustment			
Cost of capital charges	- 829	- 1,212	- 334
Depreciation	- 3,182	- 2,197	- 1,317
New provisions and adjustments to previous provisions	—	—	—
Other non-cash items	- 30	- 25	- 25
Increase (+)/Decrease () in stock	—	—	—
Increase (+)/Decrease (-) in debtors	489	3,535	1,287
Increase (-)/Decrease (+) in creditors	- 777	- 640	- 3,234
Use of provisions	—	—	—
Total accruals to cash adjustments	- 4,329	- 539	- 3,623
Excess cash to be CFERd	—	—	—
Net Cash Requirement	196,882	167,470	102,246

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	—	<i>1</i>	204	<i>1</i>	—	<i>1</i>
Non-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	—	<i>1</i>	204	<i>1</i>	—	<i>1</i>

Forecast operating cost statement

	£'000		
	2002-03 Provision	2001-02 Provision	2000-01 Outturn
Net administration costs:			
Request for Resources 1	30,000	27,000	12,251
Net programme costs:			
Request for Resources 1	169,011	128,224	91,977
NET OPERATING COST	199,011	155,244	104,228
<i>of which:</i>			
NET RESOURCE OUTTURN	199,011	155,224	104,228
CFERs		— 204	—
RESOURCE BUDGET OUTTURN	199,011	155,428	104,228

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	199,011	155,428	104,228
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	—	- 204	—
Net Operating Costs (Accounts)	199,011	155,224	104,228
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	—	204	—
Resource Budget Outturn (Budget)	199,011	155,428	104,228
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	195,000	152,019	102,577
Annually Managed Expenditure (AME)	4,011	3,409	1,651

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	2,200	12,581	1,641
Capital Budget Outturn	2,200	12,581	1,641
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	2,200	12,581	1,641
Annually Managed Expenditure (AME)			

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of OFSTED (Mr Mike Tomlinson) as the Accounting Officer of the Department with responsibility for preparing the Department's Estimate and for transmitting them to the Comptroller and Auditor General.

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

Analysis of Appropriations in Aid

	£000s					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
Training income						
Income from sales/services	16	—	8	—	19	—
Registration fees	4,139	—	42	—	103	—
Receipts from secondees salary costs	—	—	—	—	3	—
Official cars —private use	60	—	65	—	52	—
Property charges—minor occupier	—	—	—	—	—	—
Receipts from personal telephone costs	5	—	—	—	4	—
Income from sale of assets	30	—	48	—	43	—
Total	4,250*	—	163	—	224	—

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

Analysis of Consolidated Fund Extra Receipts

	£000s					
	2002-03 provision		2001-02 estimated outturn		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
<i>In addition to appropriations-in-aid the following income and receipts relate to the department and is payable to the consolidated fund</i>						
Income from sales and services	—	—	17	—	—	—
VAT refs—programme	—	—	—	—	—	—
Registration and other fees	—	—	148	—	—	—
Rec—secondees salary costs	—	—	—	—	—	—
Rec—personnel tele costs	—	—	—	—	—	—
Property charges —minor occupier	—	—	—	1	—	—
Official cars —private use	—	—	21	—	—	—
Income from sales of assets	—	—	—	—	—	—
Miscellaneous CFER	—	1	18	—	—	—1
Total	—	1	204	1	—	1

Statement of Accounting Policies

The financial statements have been prepared in accordance with the Resource Accounting Manual issued by HM Treasury. The particular accounting policies adopted by the department are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

(i) Accounting Convention

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of fixed assets where material, at their value to the business by reference to their current costs.

(ii) Tangible Fixed Assets

Title to the freehold land and buildings shown in the accounts is held by OFSTED, being property of the departmental estate.

Freehold land and buildings have been restated at their current cost using professional valuations every five years and appropriate indices in the intervening years. Other tangible assets have been stated at current cost using appropriate indices. The minimum level of capitalisation of a tangible fixed asset is £1,000 except where a class of assets is grouped.

(iii) Depreciation

Freehold land is not depreciated.

Depreciation is provided at the rates calculated to write off the valuation of the freehold buildings and other tangible fixed assets by equal instalments over their estimated useful lives. Lives are normally in the following ranges:

Freehold buildings	15 years
Equipment and computers	3 to 15 years
Motor Vehicles	3 years
Furniture, Fixtures and Fittings	15 years

(iv) Donated Assets

Donated tangible fixed assets are capitalised at their valuation on receipt and this value is credited to the donated asset reserve. Subsequent revaluations are also taken to this reserve. Each year, an amount equivalent to the depreciation charge on the asset is released from the donated asset reserve to the operating cost statement.

(v) Operating Income

Operating income relates directly to the operating activities of the department. It comprises principally, registration fees, other fees and other charges for services provided on a full cost basis. It includes both income appropriated-in-aid of the Vote and income to the Consolidated Fund, which the Treasury has agreed should be treated as operating income.

(vi) Administration and Programme Expenditure

The Operating Cost Statement is analysed between administration and programme costs. Administration costs reflect the costs of running the department as defined under the administration cost control regime. Income is analysed in the notes, between that which under the regime, is allowed to be offset against gross administrative costs in determining the outturn against the administration cost limit and that operating income which is not. Programme costs reflect the operational work of OFSTED undertaken by OFSTED staff and others.

(vii) Capital Charge

A charge reflecting the cost of capital used by the department, is included in the costs. The charge is calculated at the Government's standard rate of 6 per cent in real terms on all assets less liabilities, with the exception of Bank and Cash balances and Donated Fixed Assets. This charge has been split between programme and administration costs.

(viii) Pensions

Present and past employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) which is non contributory and unfunded. Although the scheme is a defined benefit scheme, liability for payment of future benefits is a charge to the PCSPS. The department meets the cost of pension cover provided for the staff it employs by payment of charges calculated on an accruing basis. There is a separate scheme statement for the PCSPS as a whole.

(ix) Operating Leases

OFSTED has two main types of operating leases, those for the payment of rent in the Head Office and the majority of the regional offices and those for the rental of office equipment at all locations.

Rentals payable are charged to the operating cost statement on a straight-line basis over the term of each lease.

(x) Early Departure Costs

The department is required to meet the additional cost of benefits beyond the normal PCSPS benefits in respect of employees who retire early. The department provides in full for this cost when the early retirement programme has been announced and is binding on the department. The department may, in certain circumstances, settle some or all of its liability in advance by making a payment to the Paymaster General's account at the Bank of England for the credit of the Civil Superannuation Vote.

The amount provided is shown net of any such payments.

DEL and Administrative Cost Limits

2002-03 Administration Costs Limits			£000s
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	30,095	—	30,095
2002-03 Departmental Expenditure Limits			£000s
	Voted	Non-Voted	Total
Resource DEL	195,000	—	195,000
Capital DEL	2,200	—	2,200
Total DEL	197,200	—	197,200

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparisons of provision sought with final provision and forecast outturn for the previous year

The provision sought for 2002-03 is 18 per cent higher than the final net provision and the forecast outturn for 2001-02 of £167,470 million on a cash basis. The provision sought for 2002-03 is 20 per cent higher than the final net provision and the forecast outturn for 2001-02 of £168,009 million on a resource basis. This increase is due to the transfer of responsibilities for the regulation of childcare and the inspection of the education of 16-19 year olds in Further Education Colleges.

Department of Health

Introduction

RfR1

1. About 94 per cent of central government expenditure on Health and Personal Social Services (HPSS) in England is in RfR1: the balance of voted expenditure including the Departments' costs of administering expenditure is borne on RfR2. Corresponding expenditure in Scotland is shown in Scotland's Supply Estimates 2002–03; in Wales will be shown as part of the budget for the National Assembly for Wales and in Northern Ireland is published in separate Estimates.

2. Section A covers expenditure on the hospital, community health, personal medical and dental, discretionary family health and related services and services provided to or on behalf of the Scottish Executive, the National Assembly for Wales and Northern Ireland. It is mainly made up of current and capital expenditure of health authorities and primary care trusts from unified budgets which cover hospital and community health services, prescribing costs and discretionary general medical services. Health authorities and primary care trusts commission the health services needed for their populations from the unified budgets. Section A also covers central expenditure on certain national bodies (e.g. special health authorities including the Prescription Pricing Authority and the Dental Practice Board), services (e.g. purchase of vaccines) and of service specific levies for education and training and research and development.

3. Sections B to F cover expenditure on the non discretionary family health services provided under Part II of the NHS Act 1977. These comprise the remuneration of general medical practitioners (other than reimbursement of certain expenses which are covered by Section A), together with expenditure on general dental services, general ophthalmic services and most fees and allowances for dispensing and other pharmaceutical services. Expenditure on drugs prescribed by family health service practitioners now forms part of Health Authority unified allocations in Section A.

4. Section G covers health authority grants to local authorities.

5. Sections H to M covers non cash items within annually managed expenditure.

6. Sections N and O cover the part of Health Authority expenditure which relates to NHS Trusts depreciation for capital expenditure, grant in aid funding of NDPBs, provision for issues of new Public Dividend Capital (PDC) and repayments of PDC and an appropriate element of National Health Service contributions paid by employers and employees.

RfR2

7. Sections A to D: the gross administration costs of the Department and its Agencies and the associated capital expenditure on the acquisition of buildings, furniture, computer and telecommunications equipment and the acquisition or creation of other tangible and intangible fixed assets.

8. Sections E covers central health and miscellaneous services (CHMS) including work on regulatory and protection services and health promotion; and certain others services such as grants to voluntary organisations, research and development, communication services and payments to international organisations.

9. Section F: consists of non discretionary European Economic Area medical costs and welfare food.

10. Section G: personal social services related payments cover expenditure on personal social services (other than grants to local authorities and grant funding for certain NDPBs) for training organisations and certain voluntary organisations, expenditure by the Care Standards Tribunal, expenditure on social work training development projects and payments for joint Social Services Inspectorate and Audit Commission reviews of social services departments.

11. Section H: covers revenue advances to NDPBs (except Public Health Laboratory service, General Social Care Council and National Care Standards Commission).
12. Sections I to T: certain grants to local authorities including social services training, provision of secure accommodation, services for people with HIV infection and AIDS, services for people with a mental illness, support for carers, initiatives to promote the independence of people living in the community, for the improvement of children's services, the placing of charges on homes, young people's substance misuse planning grant, rewarding performance and for the prevention of teenage pregnancy. Advances to local authorities for personal social services specific and special grants are charged to the Estimate at the time of issue and as final grant expenditure is not known until local authorities' accounts are audited after the end of the financial year, any necessary adjustments may be made in subsequent advances.
13. Sections U to Z covers annually managed (non cash) expenditure within RfR2.
14. Sections AA to AI covers the payment of loans to Trading Funds, and income from Trading Funds for the repayment of loans and the payment of dividends on public dividend capital. Capital funding of NDPBs (National Biological Standards Board, the National Radiological Protection Board and the Human Fertilisation and Embryology Authority and special health authorities (the Microbiological Research Authority and the Health Development Agency) and current and capital advances to the Public Health Laboratory Service, General Social Care Council and National Care Standards Commission, capital grants to local authorities and payments under the Animal (Scientific Procedures) Act 1986.
15. Symbols are explained in the Introduction to this booklet.

Part J	£
RfR1: Securing health care for those who need it	46,220,700,000
RfR2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health	2,904,011,000
Total net resource requirement	49,124,711,000
Net cash requirement	49,077,072,000

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

RfR1: Securing health care for those who need it

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

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

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

The Department of Health will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	46,220,700,000	18,657,430,000	27,563,270,000
RfR2	2,904,011,000	820,229,000	2,083,782,000
Total resource requirement	49,124,711,000	19,477,659,000	29,647,052,000
Net cash requirement	49,077,072,000	21,639,739,000	27,437,333,000

Part II: Subhead detail

										£'000	
Resourcing						Capital	2002-03	2001-02	2000-01		
								Provision	Outturn		
1	2	3	4	5	6	7	8	9	10		
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources		
HR1: Securing health care for those who need it											
	54,268,788	849,460	55,210,218	6,989,518	46,228,700	2,618,331	1,400,000	42,762,478	37,425,054		
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)											
<i>Central Government spending</i>											
*A: Health Authorities unified budgets and central allocations											
	46,536,834	336,212	46,893,046	152,000	46,741,046	236,303	300,000	42,775,389	37,900,066		
B: FHS—general medical services	1,710,483	—	1,710,483	—	1,710,483	—	—	3,237,000	2,494,366		
C: FHS—pharmaceutical services	911,391	—	911,391	—	911,391	—	—	885,351	850,038		
D: FHS—prescription charges income	2,308	—	2,308	436,280	—433,970	—	—	—412,475	—355,443		
E: FHS—general dental services	1,644,700	—	1,644,700	461,900	1,182,800	—	—	1,127,000	1,108,712		
F: FHS—general ophthalmic services	308,830	—	308,830	—	308,830	—	—	302,930	291,967		
<i>Support for Local Authorities</i>											
*G: Health Authority grants to local authorities											
	—	448,788	448,788	—	448,788	—	—	448,788	337,174		
SPENDING IN ANNUALLY MANAGED EXPENDITURE											
<i>Non-Cash items</i>											
H: Health authorities unified budgets and central allocations											
	1,846,729	—	1,846,729	—	1,846,729	—	—	1,873,000	792,103		
I: FHS—general medical services	—	—	—	—	—10,470	—	—	—16,490	—15,708		
J: FHS—pharmaceutical services	—	—	—	—	—8,824	—	—	—8,489	—8,447		
K: FHS—prescription charges income	—	—	—	—	—5,511	—	—	—5,353	—5,056		
L: FHS—general dental services	—	—	—	—	—12,301	—	—	—11,855	—11,386		
M: FHS—general ophthalmic services	—	—	—	—	—1,645	—	—	—1,605	—1,394		
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS											
N: Grant-in-aid to Non-Departmental Public Bodies NHS trust loans and other central capital grants											
	1,329,000	144,460	1,473,460	1,175,080	98,460	2,361,931	1,100,000	—26,519	—182,400		
O: NHS Contributions											
	—	—	—	6,564,288	—6,564,288	—	—	—6,465,867	—5,760,371		
<i>Other</i>											
	—	—	—	—	—	—	—	1,005	1,005		
HR2: Securing social care and child protection for those who need it and at national level, protecting, promoting and improving the nation's health											
	347,451	296,068	2,445,016	3,888,935	182,524	2,904,011	11,331	2,058,500	1,531,548		
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)											
<i>Central Government spending</i>											
*A: Central department											
	278,911	5,000	—	283,911	13,495	270,416	10,484	1	269,166		
*B: NHS Pensions Agency											
	19,072	—	—	19,072	850	18,222	268	—	17,962		
*C: Medical Devices Agency											
	7,898	—	—	7,898	350	7,548	430	—	6,822		
*D: NHS Purchasing and Supplies Authority											
	19,029	145	—	19,174	168	19,029	100	—	18,291		
*E: Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services											
	—	140,010	45,032	185,042	634	184,408	—	236,389	179,298		

Part II: Subhead detail (continued)

						Capital		2002-03	2001-02	2000-01
Resources						Capital		2002-03	Provision	Outturn
1	2	3	4	5	6	7	8	9	10	
Admin	Other current	Grants	Gross Total	AMA	Net Total	Capital	Non-operating AMA	Net Total Resources	Net Total Resources	
F: Welfare, food and European Economic Area medical costs	121,500	237,000	358,500	30,000	328,500			311,572	278,033	
*G: Other personal social services	25,040	24,314	49,354		49,354			66,667	43,384	
*H: NDPB revenue advances		58,033	58,033	23,892	34,141			32,796	31,103	
<i>Youth Treatment Services</i>										
<i>Payment in respect of the medical costs incurred by uninsured UK citizens arising from terrorist acts in the USA on 11/09/01</i>										
<i>Support for Local Authorities</i>										
*I: Training support programme		57,500	57,500		57,500			47,500	42,500	
*J: AIDS support grants		16,500	16,500		16,500			16,500	15,735	
*K: Services for people with mental illness		153,443	153,443		153,443			148,793	138,471	
*L: Provision for secure accommodation		14	14		14			16	13	
*M: Promoting independence grant		862,000	862,000		862,000			297,889		
*N: Carers' grant		85,000	85,000		85,000			70,000	60,000	
*O: Children's services grants		451,000	451,000		451,000			291,413	120,150	
*P: Deferred payments grant		30,000	30,000		30,000			15,000		
*Q: Care Direct		10,000	10,000		10,000			1,888	450	
*R: Performance Fund		50,000	50,000		50,000					
*S: Young persons substance misuse planning grant		4,500	4,500		4,500			4,500		
*T: Teenage pregnancy local implementation grant		16,000	16,000		16,000					
<i>Building Care Capacity</i>										
<i>Grants funded from the Invest to Save budget</i>										
<i>Services for alcohol and drug misusers</i>										
<i>Services for people seeking asylum</i>										
<i>Promoting independence: partnership grant</i>										
<i>Promoting independence: prevention grant</i>										
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Grant cash items</i>										
L: Central department	22,072	500	22,572		22,572			21,530	27,580	

Part II: Subhead detail (continued)

		Resources					Capital	2002-03	2001-02	2000-01
		1	2	3	4	5	6	Provision	Outturn	
		Admin	Other current	Grants	Gross Total	Aids	Net Total	Non-operating Aids	Net Total Resources	Net Total Resources
V:	NHS Pension Agency	105	25	—	130	—	130	—	213	250
W:	Medical Devices Agency	189	3	—	192	—	192	—	292	361
X:	NHS Purchasing and Supplies Authority	75	2	—	77	—	77	—	77	64
Y:	Other services including medical scientific and technical services grants to voluntary bodies research and development and information services	—	342	—	342	—	342	—	10,447	632
Z:	Welfare Food and European Economic Area medical costs	—	8,556	—	-8,556	—	-8,556	—	-8,706	-8,676
<i>Youth Treatment Services</i>										
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
AA:	NHS Estates Agency: dividend on public dividend capital and repayment of loans	—	—	—	—	23	-23	64	-23	-6
AB:	Medicines Control Agency: dividend on public dividend capital and payment and repayment of loans	—	—	—	—	177	-177	329	-157	-136
AC:	Grant in Aid funding of Non-Departmental Public Bodies and special health authorities	—	—	303,452	303,452	110,948	192,504	—	75,000	95,818
AD:	Provision for secure accommodation (capital)	—	—	6,228	6,228	—	6,228	—	4,228	1,542
AE:	Improving information management (capital)	—	—	25,000	25,000	—	25,000	—	3,000	—
AF:	Children's services grants (capital)	—	—	10,000	10,000	—	10,000	—	—	—
AG:	Other	—	27	—	27	—	27	—	27	15
AH:	Central department profit and loss on disposal of assets	—	—	—	—	10	-10	—	-10	—
AI:	Medical Devices Agency profit and loss on disposal of assets	—	30	—	30	—	30	—	30	—
NHS Purchasing and Supplies Authority profit and loss on disposal										
Grants funded from the Invest to Save budget (capital)										
								95	51	
Total	347,451	54,834,826	3,394,476	36,296,753	9,177,042	49,124,711	2,629,565	1,400,394	44,820,978	38,956,603

Part II: Resource to Cash reconciliation

	2002–03 provision	2001–02 provision	£000 2000–01 outturn
Net Total Resources	49,124,711	44,820,978	38,956,602
Voted Capital Items			
Capital	2,629,565	2,051,409	1,604,100
Less Non-operating A-in-A	<u>1,400,394</u>	<u>2,013,278</u>	<u>1,352,185</u>
	1,229,171	38,131	251,915
Accruals to cash adjustment			
Cost of capital charges	177,074	159,365	41,215
Depreciation	– 299,164	– 415,915	– 381,476
New provisions and adjustments to previous provisions	– 1,717,086	– 1,612,465	– 446,568
Other non-cash items	– 792	642,208	– 396
Increase (+)/Decrease (–) in stock	19	19	– 20
Increase (+)/Decrease (–) in debtors	139,683	142,583	167,443
Increase (–)/Decrease (+) in creditors	– 276,398	– 274,698	– 324,515
Use of provisions	<u>699,854</u>	<u>544,404</u>	<u>581,273</u>
Total accruals to cash adjustments	– 1,276,810	– 814,499	– 363,044
Excess cash to be CFERd	—	144,938	—
Net Cash Requirement	49,077,072	44,189,548	38,845,473

Part III: Extra Receipts payable to the Consolidated Fund

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

	2002–03 provision		2001–02 provision		£000 2000–01 outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA ●	89	<i>89</i>	113	<i>113</i>	118	<i>118</i>
Non-operating income not classified as AinA ●	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	<i>144,938</i>	—	—
Total	89	<i>89</i>	113	<i>145,051</i>	118	<i>118</i>

Forecast Operating Cost Statement

	2002–03 provision	2001–02 provision	2000–01 outturn
Net Administration Costs			
Request for Resources 1	—	—	—
Request for Resources 2	334,324	335,756	326,783
Total Net Administration costs	334,324	335,756	326,783
Net Programme Costs			
Request for Resources 1	46,220,700	42,762,478	37,425,054
Request for Resources 2	2,569,598	1,722,631	1,204,647
Total Net Programme costs	48,790,298	44,485,109	38,629,701
TOTAL NET OPERATING COST	49,124,622	44,820,865	38,956,484
<i>of which:</i>			
NET RESOURCE OUTTURN	49,124,711	44,820,978	38,956,602
CFERs	– 89	– 113	– 118
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN	55,874,076	51,512,106	45,027,957

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	49,124,711	44,820,978	38,956,602
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	– 89	– 113	– 118
Net Operating Costs (Accounts)	49,124,622	44,820,865	38,956,484
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	89	113	118
Full resource consumption of non-departmental public bodies	30,636	5,966	– 458
Full resource consumption of public corporations	1,475,874	1,346,694	1,371,288
Capital grants to the private sector and local authorities	– 133,228	– 110,321	– 67,675
Gain/losses from sale of capital assets	– 20	5	–
Voted expenditure outside the budget:			
NHS Trust depreciation	– 1,329,000	– 1,033,000	– 1,001,000
NHS contributions	6,564,288	6,456,867	5,760,371
Other minor budgets	– 27	– 1,032	– 1,020
Unallocated resource provision	126,742	2,849	–
Other adjustments (Cost of collection)	14,100	14,100	9,849
Resource Budget Outturn (Budget)	55,874,076	51,512,106	45,027,957
<i>of which:</i>			
Department Expenditure Limit (DEL)	53,257,924	48,873,646	43,505,744
Spending in Employment Opportunities Fund (EOF) DEL	–	–	– 3
Annually Managed Expenditure (AME)	2,616,152	2,638,460	1,522,216

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	1,229,171	38,131	251,915
Full capital expenditure by non-departmental public bodies	39,203	34,181	25,680
Full capital expenditure by public corporations	916,141	1,686,314	976,782
Capital grants to the private sector, LAs and PCs	133,228	110,321	67,675
Gains/losses from sale of capital assets	20	– 5	–
Local authority credit approvals	55,729	56,152	55,309
Unallocated capital provision	125,000	6,998	–
Capital Budget Outturn	2,498,492	1,932,092	1,377,361
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	2,498,492	1,932,092	1,377,361
Annually Managed Expenditure (AME)	–	–	–

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

	2002–03		2001–02		2000–01		£000
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
RFR1: Securing health care for those who need it							
Charges for accommodation, goods and services to private and NHS patients and others; income generation schemes; medical and dental education levy; income from the licensing of software; income from Ashworth Special Hospital, the Mental Health Act Commission, the Centre for Pharmacy Post Graduate Education, the Prescription Pricing Authority, the Dental Practice Board, and Regional Offices; income from the Scottish Executive, the National Assembly for Wales and Northern Ireland for services provided for devolved or reserved work. Rebates and discounts from manufacturers under the Pharmaceutical Price Regulation Scheme and Purchasing and Supply Agency arrangements.	152,000	—	152,000	—	80,966	—	—
NHS prescription charges	436,280	—	414,875	—	391,584	—	—
Dental charges	461,900	—	476,000	—	457,576	—	—
Recoveries from patients in respect of incorrect claims for eligibility for general ophthalmic services	50	—	30	—	32	—	—
Contributions by employers and employees towards the cost of the NHS	6,564,288	—	6,465,867	—	5,760,371	—	—
Principal and interest payments on NHS Trusts loans and repayments of, and dividends on public dividend capital advances by or on behalf of NHS trusts	1,375,000	1,100,000	1,241,764	1,662,884	1,286,464	1,050,000	—
Capital income from sale of land, buildings, surplus vehicles and equipment	—	300,000	—	350,000	—	298,000	—

Analysis of Appropriations in Aid (*continued*)

	£000s					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non- operating AinA	Operating AinA	Non- operating AinA	Operating AinA	Non- operating AinA
RfR2: Securing social care and child protection for those who need it and, at a national level, protecting, promoting and improving the nation's health.						
Administration receipts for: seconded officers; welfare to work/New deal programmes; staff telephone calls; costs of legal proceedings; staff lease cars scheme; European Fast Stream programme; recoveries from other departments and the NHS, local authorities, NHS Estates and Medicines Control Agency for goods and services, staff accommodation, reimbursement of meeting expenses and selling services into wider markets, library income and open government.	13,495	—	18,116	—	22,634	—
NHS Pensions Agency: income from mis-sold pensions, assessing pensions on divorce from contractors	850	—	1,500	—	1,842	—
Medical Devices Agency: receipts from manufacturers registration scheme, product approval scheme, sale of publications and Competent Authority Activities	350	—	348	—	291	—
NHS Purchasing and Supplies Authority: receipts for seconded officers, staff telephone calls, reimbursement of meeting expenses and staff lease car scheme	145	—	145	—	—	—
Licence fees, royalties and sales of publications, evaluation reports, British Pharmacopoeia Chemical Reference Substances, contributions by members of the public, insurance claims, sale of cars, sector challenge receipts from Department of Trade and Industry, mobile phone research contributions.	634	—	2,136	—	1,694	—
Income from Human Fertilisation and Embryology Authority, National Biological Standards Board, Public Health Laboratory Service, Microbiological Research Authority, Health Development Authority, National Care Standards Commission, General Social Care Council	136,840	—	123,271	—	102,091	—
European Economic Area countries for NHS treatment of their residents	28,000	—	29,000	—	27,226	—
Income from sale of subsidised dried milk	2,000	—	3,000	—	2,500	—
Dividends on public dividend capital by the Medicines Control Agency and the NHS Estates Agency repayment of loans	200	393	180	393	142	393
Sales of land, buildings and equipment	10	1	35	1		3,792
Total	9,172,046*	1,400,394**	8,928,267	2,013,278	8,135,413	1,352,185

*RfR1: Amount that may be applied as appropriations in aid in addition to the net total arising from: charges for accommodation, goods and services to private and NHS patients and others; income from income generation schemes; income in respect of medical and dental education levy; income in respect of high security psychiatric services at Ashworth Special Hospital; income in respect of the Mental Health Act Commission; income in respect of the Centre of Pharmacy Postgraduate Education; income from the licensing of software; income from intellectual property; income of the Prescription Pricing Authority and the Dental Practice Board; income from NHS prescription and dental charges; recoveries from patients in respect of incorrect claims for eligibility for general ophthalmic services; receipts from penalty charges for incorrect claims for relief from NHS charges or eligibility

Analysis of Appropriations in Aid (continued)

for general ophthalmic services; rebates and discounts from manufacturers under the Pharmaceutical Price Regulation Scheme and the Purchasing and Supply Agency arrangements; income in respect of Regional Offices; contributions from employers and employees towards the cost of the NHS; income from the Scottish Executive, the National Assembly for Wales and Northern Ireland for services provided for devolved or reserved work.

RfR2: Administration receipts from seconded officers, costs of legal proceedings, Employment Opportunities Fund programme; Manufacturers Registration Scheme and Product Approval Scheme; staff telephone calls; staff lease car scheme; European Fast Stream programme; recoveries from other government departments; receipts from the NHS, local authorities, NHS Estates and Medicines Control Agency for goods and services; staff accommodation; reimbursement of meetings expenses and selling services into wider markets, library income and open government; receipts by the NHS Pensions Agency for dealing with misold pensions, assessing pensions on divorce and from contractors; receipts from commercial tenants in DH buildings; NHS Purchasing and Supplies Authority receipts for seconded officers, staff telephone calls, reimbursement of meeting expenses and staff lease car scheme. Licence fees and royalties; sales of publications on equipment for the disabled; sales of British Pharmacopoeia Chemical Reference substances; sale of community homes, evaluation reports, equipment, cars, buildings, furniture and surplus items; from Competent Authority Activities and contractors; sale of publications; contributions by members of the public; insurance claims. Receipts by the Human Fertilisation and Embryology Authority, National Biological Standards Board, Public Health Laboratory Service, Microbiological Research Authority, Health Development Agency, General Social Care Council and National Care Standards Commission; from other European Economic Area countries for NHS treatment of their residents; sale of subsidised dried milk; receipts made under Sector Challenge arrangements with the Department of Trade and Industry, from the European Community and contributions from the mobile phone industry. Refunds from communication campaigns contracts and contributions from the private sector towards the cost of communication campaigns. Income from the Scottish Executive, the National Assembly for Wales and Northern Ireland for services provided for devolved or reserved work.

** Amounts that may be applied as non operating appropriations in aid arising from capital income from the sale of land, buildings, surplus vehicles and equipment, principal and interest repayments on NHS Trust loans and from Trading Funds, repayment of, and dividends on, Public Dividend Capital advances by or on behalf of NHS Trusts, Medicines Control Agency and NHS Estates Agency.

Analysis of Consolidated Fund Extra Receipts (CFERs)

	£000					
	2002–03 provision		2001–02 provision		2000–01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
<i>In addition to appropriations-in-aid the following income and receipts related to the department and are payable to the Consolidated Fund:</i>						
NHS Estates Agency—interest on loans●	8	8	12	12	12	12
Medicines Control Agency—interest on loans●	81	81	101	101	106	106
Excess cash receipts	—	—	—	144,938	—	—
Total	89	89	113	145,051	118	118

Departmental Expenditure Limit and Administration Costs Limit

2002-03 Administration Costs Limits			£000
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	326,314	-7,787	318,527
Net administration costs limits	—	—	—

2002-03 Departmental Expenditure Limits			£000
	Voted	Non-Voted	Total
Resource DEL	53,523,103	-265,179	53,257,924
Capital DEL	110,579	2,387,913	2,498,492
Total DEL	53,633,682	2,122,734	55,756,416

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision with final provision and forecast outturn

The provision sought for 2002-03 is 9.6 per cent higher than the final net provision for 2001-2002 and 9.9 per cent higher than the forecast outturn for 2001-02.

Expenditure resting on the sole authority of the Appropriation Act

	£000
RfR2A: United Kingdom Xenotransplantation Interim Regularity authority ■	112
RfR2E: Payments to local authorities for public health services at airports ■	2,348
RfR2E: Grants to voluntary organisations to expand opportunities for unemployed people to participate in voluntary work ■	6,900
RfR2G: Child Migrants Support fund ■	300
RfR2G: Payments in respect of lay and user involvement in social services inspection ■	200

Expenditure in the form of adjustable advances

Section I to T and AD to AF contain certain grants to local authorities including social services training, provision of secure accommodation, services for people with HIV infection and AIDS, services for people for those with a mental illness, services for alcohol and drug misusers, support for carers, initiatives to promote the independence of people living in the community, for the improvement of children's services, projects funded from the Invest to Save budget, the placing of charges on homes and improving information management. Advances to local authorities for personal social services specific and special grants are charged to the Estimate at the time of issue and as final grant expenditure is not known until local authorities' accounts are audited after the end of the financial year, any necessary adjustments may be made in subsequent advances.

Cash which may be retained to offset expenditure

The department estimates that it will retain £10,572,436,000 in 2002-03.

Contingent Liabilities

RfR1:

Statutory contingent liabilities exist to meet:

- i. an indemnity to water undertakers in respect of costs, damages and expenses not otherwise covered by insurance arising from claims or proceedings on the grounds of alleged harm to health arising solely from fluoridation; and,
- ii. Overdraft guarantees for NHS trusts.

Non-statutory contingent liabilities exist to meet:

- i. A letter which the Department sent to the Association of British Health Care Industries on 9 June 1992 may be construed as a letter of comfort in respect of contracts entered into by NHS trusts and hence result in a non-statutory liability. The letter was withdrawn on 17 August 1993, but a residual contingent liability may remain in respect of contracts entered into between the issue of the letter and its withdrawal;
- ii. the Department has undertaken to meet the legal and other costs of medical and nursing staff engaged on clinical trials approved by the National Blood Authority (NBA) of new blood products manufactured by the Bio-Products Laboratory, a part of the NBA, and the costs of any claims for damages from patients arising from clinical trials of the new products;
- iii. an indemnity to water undertakers in respect of costs, damages and expenses not otherwise covered by insurance arising from claims or proceedings on the grounds of alleged harm to health arising solely from supplying water which has been fluoridated by another water undertaker and which therefore is not covered by the statutory guarantee;
- iv. an indemnity to higher education providers to cover a proportion of any redundancy costs, which may arise in respect of pre-registration nurse education which has now moved to the higher education sector should a contract of education not be renewed;
- v. in the event of a nuclear emergency it would be necessary to distribute stable iodine tablets to the general public to prevent take up of radioactive iodine. The Department has undertaken to indemnify those other than qualified medical personnel distributing the tablets against any action resulting from adverse reactions; and
- vi. the Department has given an undertaking to pay legal or other costs of any damage claims arising from infections contracted by foreign nationals through contaminated blood products. These claims, should they arise would result from a contract between the Bio Products Laboratory, BPL, (part of the National Blood Authority) and the Canadian company Hacmacure for the manufacture of a plasma based fibrin sealant product. The product would be sold exclusively in the USA.

RfR2:

Statutory contingent liabilities exist to meet:

- i. the Department has issued an exemption certificate to the National Radiological Protection Board in respect of any liability to its employees of the kind mentioned in Section (1) of the Employers' Liability (Compulsory Insurance) Act 1969; and
- ii. The department has issued an exemption certificate to the National Biological Standards Board in respect of any liability to its employees of the kind mentioned in Section (1) of the Employers' Liability (Compulsory Insurance) Act 1969.

Non-statutory contingent liabilities exist to meet:

- i. the Department has undertaken to meet the cost of compensation payments arising from claims for injury arising from trials of a whooping cough vaccine developed by the Microbiological Research Authority;

- ii. the Department has undertaken to meet the cost of compensation payments arising from claims for injury arising from the immunisation of voluntary donors with specialised immunoglobulin subsequently harvested and used in the treatment of new-born babies;
- iii. the Government has paid £42 million to a NHS trust from which payments to haemophiliacs infected with HIV virus following treatment by the NHS with infected blood products. The Department has agreed to pay the NHS trust any sums required to make payments if the funds already provided prove insufficient;
- iv. to cover the costs of the Family Fund meeting its duties, under legislation, to its staff in the event of it being wound up by the Government
- v. the Department was found to be negligent in failing to stop treating patients with Human Growth Hormone by 1 July 1977 – at a time when possible consequences should have been apparent. Compensation will need to be paid to patients treated after this date who subsequently die from CJD;
- vi. An indemnity for members of the independent inquiry into quality and practice within the NHS arising from the action of Rodney Ledward. The Department has given an undertaking to grant an indemnity in relation to any legal action against the chairman and members of the inquiry team;
- vii. An indemnity for members of the independent inquiry into issues arising from the retention of organs at the Royal Liverpool Children’s Hospital (Alder Hey). The Department has given an undertaking to grant an indemnity in relation to any legal action against the chairman and members of the inquiry team;
- viii. An indemnity for members of the independent inquiry into the management of the care of children receiving complex heart surgical services at the Bristol Royal Infirmary. The Department has given an undertaking to grant an indemnity in relation to any legal action against the chairman and members of the inquiry team;
- ix. An indemnity for members of the independent inquiry into issues arising from the disposal of organs at the Kings Mill Centre for Health Care Services NHS Trust. The Department has given an undertaking to grant an indemnity in relation to any legal action against the chairman and members of the inquiry team; and
- x. An indemnity for members of the independent inquiry into the backlog of histopathology samples at the Royal National Orthopaedic Hospital NHS Trust. The Department has given an undertaking to grant an indemnity in relation to any legal action against the chairman and members of the inquiry team.

Grants in aid

Section RfR2 F and G includes grants-in-aid provision to the Family Fund Trust (£21.773 million). Section RFR2 AD includes grant-in-aid provision to the General Social Care Council (£33.657 million) and the National Care Standards Commission (£80.101 million).

International subscriptions

The UK subscription to the World Health Organisation (£14 million) is included in line RfR2E.

National Health Service Pension Scheme

Introduction

1. This Estimate covers the payment of pensions and other benefits to persons covered by the National Health Service (NHS) Pension Scheme. The rules of the scheme are set out in the National Health Service Pension Scheme Regulations 1995 (as amended).
2. Membership of the scheme is open to most employees in the NHS and for doctors and dentists in general practice, and the benefits include payments to widows, widowers, and dependants of participants who die in service or retirement. Provision is also made for refunds of contributions to early leavers, and for the payment and receipt of transfer payments in respect of persons moving out of and into employments covered by the scheme.
3. The Estimate includes the increase payable in accordance with the Annual Review Orders made under section 59 of the Social Security Pension Act 1975. The scheme is notionally funded for the basic benefits but not for pensions increase. Part of the scheme's income consists of receipts from contributions (both employer and employee), capitalised payments for early retirements and transfers from other pension schemes. These are appropriated in aid of the Estimate to offset the expenditure on benefits.
4. The NHS Pensions Agency is responsible for administering the scheme: the related running costs are borne on the Department of Health Estimate.
5. Symbols are explained in the Introduction to this booklet.

Part I

RfR1: National Health Service Pension Scheme	£ 50,200,000
Net cash requirement	45,750,000

Amount required in the year ending 31 March 2003 for expenditure by the National Health Service (NHS) Pensions Agency on:

RfR1: National Health Service Pension Scheme

Pensions, allowances, gratuities, transfers to alternative pension arrangements, refunds of contributions, compensation for early retirement, to or in respect of persons engaged in health services or approved employment.

The National Health Service (NHS) Pensions Agency will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Surrender £
RfR1	50,200,000	77,738,000	27,538,000
Net cash requirement	45,750,000	50,804,000	5,054,000

Part II: Subhead detail

£'000

Resources	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6	7	8	Provision	Outturn
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resource
RRF: National Health Service Pension Scheme	—	—	3,282,299	3,282,299	3,152,000	50,200	—	—	172,752	735,904
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
Non-Cash Items										
A Pensions	—	—	3,282,299	3,282,299	3,152,000	50,200	—	—	172,752	735,904
Total	—	—	3,282,299	3,282,299	3,152,000	50,200	—	—	172,752	735,904

Part II: Resource to Cash reconciliation

£'000

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Total Resources	50,200	172,752	735,904
Voted Capital Items			
Capital	—	—	—
Less Non-operating AinA	—	—	—
Accruals to cash adjustment			
Cost of capital charges	—	—	—
Depreciation	—	—	—
New provisions and adjustments to previous provisions	—	—	—
Other non-cash items	—	—	—
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	—	232,416	-63,073
Increase (-)/Decrease (+) in creditors	-4,450	-172,270	-50,425
Use of provisions	—	—	—
Total accruals to cash adjustments	-4,450	60,146	-113,498
Excess cash to be CFERd	—	—	—
Net Cash Requirement	45,750	232,898	622,406

Part III: Extra Receipts payable to the Consolidated Fund

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

	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	100,250	<i>100,250</i>	300	<i>300</i>	213,913	<i>269,683</i>
Non-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	100,250	<i>100,250</i>	300	<i>300</i>	213,913	<i>269,683</i>

Forecast Combined Revenue Account

	2002-03		2001-02		2000-01	
	Provision		Provision		Outturn	
Programme Costs						
Voted Expenditure						
Income						
Contributions receivable	3,136,336		2,868,358		2,294,358	
Transfers in	<i>115,914</i>		<i>200,000</i>		<i>203,186</i>	
		3,252,250		3,068,358		2,497,544
Expenditure						
Benefits payable	3,080,740		3,129,109		2,792,147	
Leavers	<i>121,460</i>		<i>112,001</i>		<i>227,388</i>	
		3,202,200		3,241,110		3,019,535
Net Programme Costs		- 50,050		172,452		521,991
NET OPERATING COSTS		- 50,050		172,452		521,991
<i>of which:</i>						
NET RESOURCE OUTTURN		50,200		172,752		735,904
CFERs		<i>- 100,250</i>		<i>- 300</i>		<i>- 213,913</i>
RESOURCE BUDGET OUTTURN		- 50,050		172,452		521,991

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	50,200	172,752	735,904
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	-100,250	-300	-213,913
Net Operating Costs (Accounts)	-50,050	172,452	521,991
Resource Budget Outturn (Budget)	50,050	172,452	521,991
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	—	—	—
Annually Managed Expenditure (AME)	-50,050	172,452	521,991

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Chief Executive of the NHS Pensions Agency as Accounting Officer with responsibility for preparing the Agency's Accounts and the NHS Pension Scheme Estimate and for transmitting them to the Comptroller and Auditor General.

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

Analysis of Appropriations in Aid

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR1: NHS Pension Scheme						
Income from contributions receivable & transfers from other schemes	3,152,000*	—	3,068,355	—	2,283,631	—

* Amount that may be applied as appropriations in aid in addition to the net total, arising from superannuation contributions; transfer values; deductions from superannuation contributions and lump sum payments in lieu of graduated contributions; contributions equivalent premiums.

Analysis of Extra Receipts payable to the Consolidated Fund

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Operating income not classified as AinA	100,250	100,250	300	300	213,913	269,683
Total	100,250	100,250	300	300	213,913	269,683

Comparison of provision sought with final provision and forecast outturn for the previous year

The net resource requirement provision of £50.2 million sought for 2002-03 is 70.9 per cent lower than the final net provision for 2001-02 of £172.751 million, which is also expected to be the forecast outturn for 2001-02.

Gross expenditure in 2001-02 is expected to amount to £3,122 million and the precast provision for 2002-03 (£3,202 million) shows an increase of 2.56 per cent.

The Estimate takes into account the pensions increase of 1.7% applicable from 9 April 2002. Together with an anticipated increase in the number of beneficiaries of 2.98%.

Total income is precast to increase by 6.0 per cent from £3,068 million in 2001-02 to £3,252 million in 2002-03. The change is due to a forecast increase in contributing members of 5.0 per cent and forecast increase in total pensionable pay of 3.0 per cent.

The increase receipt will result in excess receipts of £100 million in 2002-03 which will be paid to the Consolidated Fund.

Cash which may be retained to offset expenditure

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

		£'000
2002-03	2001-02	2000-01
provision	provision	outturn
£000	£000	£000
3,152,000	3,068,355	2,228,631

Food Standards Agency

Introduction

1. This Estimate provides for expenditure by the Food Standards Agency (FSA). The purpose of the FSA is to protect public health from risks which may arise in connection with the consumption of food, and to otherwise protect the interests of consumers in relation to food.
2. The Food Standards Agency was established as a non-Ministerial department on 1 April 2000. At the same time, the Meat Hygiene Service (MHS), previously an executive agency of the Department for the Environment, Food and Rural Affairs, transferred to the FSA.
3. The FSA is a UK wide body, and is partially funded by contributions from the devolved administrations to cover the costs of work undertaken in Scotland, Wales and Northern Ireland. As the contributions from the devolved administrations cannot be Appropriated in Aid of the Estimate (section 39 of the Food Standards Act refers), they have been netted off from the relevant subheads in Part II, Section A of the Estimate.
4. Symbols are explained in the Introduction to this booklet.

Part I

RfR1: Protecting and promoting public health in relation to food	£ 120,349,000
Net cash requirement	117,675,000

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

RfR1: Protecting and promoting public health in relation to food

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

The Food Standards Agency will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	120,349,000	51,549,000	68,800,000
Net cash requirement	117,675,000	50,360,000	67,315,000

Part II: Subhead detail

Resources						Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating A in A	Net Total Resource	Net Total Resources
RRI: Protecting and promoting public health in relation to food									
197,650	67,969	—	175,619	55,270	120,349	637	—	125,465	82,259
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DELE)									
<i>Central Government expenditure</i>									
*A Food Standards Agency HQ Operations									
33,124	67,969	—	101,093	3,234	97,859	322	—	102,733	78,088
*B Meat Hygiene Service									
71,215	—	—	71,215	52,036	19,179	315	—	19,421	3,106
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Non-Cash Items</i>									
C Food Standards Agency HQ Operations									
1,861	—	—	1,861	—	1,861	—	—	1,861	422
D Meat Hygiene Service									
1,450	—	—	1,450	—	1,450	—	—	1,450	543
Total	197,650	67,969	175,619	55,270	120,349	637	—	125,465	82,259

Part II: Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Total Resources	120,349	125,465	82,259
Voted Capital Items			
Capital	637	1,101	6,953
Less Non-operating A in A	—	—	—
	637	1,101	6,953
Accruals to cash adjustment			
Cost of capital charges	-1,307	-1,307	-241
Depreciation	-2,004	-2,004	-824
New provisions and adjustments to previous provisions	—	—	—
Other non-cash items	—	—	—
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	—	—	—
Increase (+)/Decrease (-) in creditors	—	—	—
Use of provisions	—	—	—
Total accruals to cash adjustments	3,311	-3,311	-1,065
Excess cash to be CFERd	—	—	—
Net Cash Requirement	117,675	123,255	88,147

Part III: Extra Receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2002-03. None were received in 2001-02 or 2000-01.

Forecast Operating Cost Statement

	2002–03 Provision	2001–02 Provision	2000–01 outturn
Net Administration Costs			
Request for Resources 1	52,380	53,259	28,845
Net Programme Costs			
Request for Resources 1	67,969	72,206	53,414
NET OPERATING COST	120,349	125,465	82,259
<i>of which:</i>			
NET RESOURCE OUTTURN	120,349	125,465	82,259
RESOURCE BUDGET OUTTURN	120,349	125,465	82,259

Reconciliation of resource expenditure between Estimates, accounts and budgets

	2002–03 provision	2001–02 provision	2000–01 outturn
			£000
Net Resource Outturn (Estimates)	120,349	125,465	82,259
Net Operating Costs (Accounts)	120,349	125,465	82,259
Resource Budget Outturn (Budget)	120,349	125,465	82,259
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	117,038	122,154	81,194
Annually Managed Expenditure (AME)	3,311	3,311	1,065

Reconciliation of capital expenditure between Estimates and Budgets

	2002–03 provision	2001–02 provision	2000–01 outturn
			£000
Net Voted Capital Outturn (Estimates)	637	1,101	6,953
Capital Budget Outturn	637	1,101	6,953
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	637	1,101	6,953
Annually Managed Expenditure (AME)	—	—	—

Explanation of Accounting Officer's responsibilities

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

Analysis of Appropriations in Aid

	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR1: Protecting and promoting public health in relation to food	55,270	—	55,270	—	48,048	—
Total	55,270*	—	55,270	—	48,048	—

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

Departmental Expenditure Limit and Administration Costs Limit

2002-03 Administration Costs Limits			£000s
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	112,745	60,442	52,303
2002-03 Departmental Expenditure Limits			£000s
	Voted	Non-Voted	Total
Resource DEL	117,038	---	117,038
Capital DEL	637	—	637
Total DEL	117,675	—	117,675

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with provision and forecast outturn for previous year

The net resource provision sought of £120,349,000 is 4.0% lower than the net resource provision of £125,465,000 for 2001-02.

Department for Transport, Local Government and the Regions

Introduction

1. The Estimate for 2002–03 consists of four requests for resources:

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

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

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

RfR4: Providing for the administration of the Department for Transport, Local Government and the Regions and the Health and Safety Commission in meeting their objectives.

2. Details of programmes covered by all four Requests for Resources and the Department's aim and 9 objectives can be found in Chapter 1 of the Department for Transport, Local Government and the Regions Annual Report 2002 (DAR) Cm 5405.

3. Detailed analysis of appropriations-in-aid and Consolidated Fund Extra Receipts can be found in Tables I and II respectively that accompany this Estimate.

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

4. Chapter 7 of the DAR covers expenditure on social housing (local authorities and registered social landlords), rent and leasehold services, private housing renewal, response to homelessness, housing revenue account subsidy and the Rent Service (an executive agency) ♥ (sections A, B, O, P, U, W, X, Y, AC and AD). Chapter 4 covers planning and minerals research, the Planning Inspectorate (an executive agency) ♥ and other planning programmes (sections H, I and AA) and payment to Ordnance Survey ♥ for National Interest Mapping Service Agreement are covered in sections G and Z. The costs incurred by the Planning Inspectorate in Wales are met by a transfer to the National Assembly for Wales, which reimburses the agency, and the receipts are included under appropriations-in-aid. Chapters 5 and 6 cover regional and local regeneration programmes, Neighbourhood renewal and regional policy (sections D, E, F, Q, R, AE, AF and AG) and European regional development fund projects (sections J, K, S, T, AH and AI). Chapter 9 covers building regulations (section C), covers compensation payments to sufferers or their dependants affected by pneumoconiosis and other dust related diseases and associated costs (section N) and the Fire Service and Fire Service College (sections L, M, V and AB).

5. Further information is also provided in Tables 1, 2, 3 and 4 of the Supplementary Budget Information booklet (CM 5510) and in Appendix A of the DAR.

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

6. Chapter 3 and 10 of the DAR cover the development of an integrated transport system across Great Britain, and programmes contributing to improved transport safety (sections A to AR). Funding is transferred to the Scottish Executive to make payments in respect of the ScotRail franchise and to fund track access grant (TAG) in Scotland.

7. Advances to agent authorities in respect of maintenance and improvement of the trunk roads network in England will be made as required and charged to the request for resource at the time of issue, with adjustments being made on subsequent advances. The authorities will be required to submit statements of expenditure incurred. Local authority accounts will be inspected on behalf of the Secretary of State for Transport, Local Government and the Regions by auditors appointed by the Audit Commission ♥.

8. Further information is also provided in Tables 1, 2, 3 and 4 of the Supplementary Budget Information booklet and Appendix A of the DAR.

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

9. Request for Resources 3 provides for the costs of Exchequer grants, contributions, non-domestic rates (NDR) and other payments made by the Department for Transport, Local Government and the Regions to local authorities and other bodies.

10. Chapter 8 of the DAR sets out the activities covered by RfR3. These include: payments in respect of rating and banding work by the Valuation Office Agency, and the costs of valuation tribunals (sections A and I); payments to the Audit Commission in respect of the Best Value Inspectorate and payments in connection with costs of intervention action in local authorities (section B); local government research and publicity programmes plus Electoral Law (section C); the costs of London governance (sections D and G); payments of revenue support grants (RSG) to receiving authorities in England, specified bodies and the Commission for Local Administration in England (section E); payments of non-domestic rates (NDR) to receiving authorities in England (sections F and J); other grants and payments (sections H and K); and payments to non-departmental public bodies (section L).

11. Further information is also provided in Tables 1, 2, 3 and 4 of the Supplementary Budget Information booklet (CM 5510) and Appendix A of the DAR.

RfR4: Providing for the administration of the Department for Transport, Local Government and the Regions and the Health and Safety Commission in meeting their objectives

12. Request for Resources 4 covers the administrative costs of the Department. Chapter 2 of the DAR 2002 gives details for sections A, D, E, G and J. Further information is provided in figure 2D of Chapter 2 and Table 2B of the DAR.

13. Chapter 9 gives details of the Health and Safety Executive and Commission (HSE and HSC) (sections B, C, G and II), which was established in 1974 to help improve the health, safety and welfare of persons at work and to protect the public when travelling and against the risks arising from activities of people at work.

14. Further information is also provided in Tables 1, 2, 3 and 4 of the Supplementary Budget Information booklet (CM 5510) and Appendix A of the DAR.

Non-departmental public bodies (NDPBs)

15. All the requests for resources include provision for payments of grant-in-aid to NDPBs. Most NDPBs are partially funded by receipts. Further information is provided in Chapter 2 and Appendix B of the DAR.

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

Part I

	£
RfR1: Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action and improving health and safety	9,107,626,000
RfR2: Promoting modern, integrated and safe transport and providing customer-focused regulation	9,620,754,000
RfR3: Promoting a system of elected government responding to the needs of local communities	37,800,698,000
RfR4: Providing for the administration of the Department for Transport, Local Government and the Regions and the Health and Safety Commission in meeting their objectives	501,239,000
Total net resource requirement	56,670,317,000
Net cash requirement	54,044,653,000

Amounts required in the year ending 31 March 2003 for expenditure by the Department for Transport, Local Government and the Regions on:

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

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

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

ports and shipping services; the National Ports Council Pension and Compensation Schemes; water freight grants; the Maritime and Coastguard Agency; civil and international aviation services; assistance to airlines to compensate for losses arising from the terrorist attacks on 11 September 2001 in the United States of America; support for and loans to National Air Traffic Services; the Highways Agency; payments to private consortia for design, build, finance and operate schemes; transport grants to local authorities, including the Greater London Authority; payments to local authorities for the maintenance of de-trunked roads and promotion, publicity and publications in support of the Highways Agency operations; the operation of the Dartford River crossing; rebates of fuel duty to bus operators; support for the haulage industry; support to nationalised transport industries; Powershift and cleaner vehicles programmes; royal travel; transport security; the Commission for Integrated Transport; trans-European network funds; support for other minor transport services; driver and vehicle licensing and registration and the collection of revenue; compensation and pensions costs relating to pre-DVLC local authority driver and vehicle licensing staff; the development and operation of systems associated with registration and licensing; the provision by DVLA of anonymised data and other services; the Vehicle Certification Agency; grants and loans to the Vehicle Inspectorate and Driving Standards Agency (trading funds); vehicle and traffic enforcement; speed and red light camera

enforcement; grants to Railtrack, British Rail and London Underground; payments and loans under section 63 of the Railways Act 1993 to Railtrack plc (in administration); grants to the Strategic Rail Authority; the Channel Tunnel Rail Link; National Freight Company travel concessions; railway industry and National Freight Company pensions funds; research, development, statistics, censuses and surveys, safety and mobility, publicity, promotion and advice and publications, monitoring, consultancies; selling into wider markets, including export opportunities; subscriptions and contributions to international organisations; compensation; special payments; administration; and associated non-cash items.

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

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

RfR4: Providing for the administration of the Department for Transport, Local Government and the Regions and the Health and Safety Commission in meeting their objectives

the Health and Safety Commission (HSC); grants paid by HSC to small businesses; the residual functions of Property Services Agency (PSA) services; residual payments concerning the privatisation of the Building Research Establishment; loans to the Queen Elizabeth II Conference Centre executive agency (trading fund); other government departments, agencies and non-departmental public bodies; the Neighbourhood Renewal Unit; the Teenage Pregnancy Unit; the administration and operation of the department; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; research; special payments; and associated non-cash items.

The Department for Transport, Local Government and the Regions will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	9,107,626,000	3,143,736,000	5,963,890,000
RfR2	9,260,754,000	3,579,394,000	5,681,360,000
RfR3	37,800,698,000	16,772,231,000	21,028,467,000
RfR4	501,239,000	202,771,000	298,468,000
Total net resource requirement	56,670,317,000	23,698,132,000	32,972,185,000
Net cash requirement	54,044,653,000	22,629,633,000	31,415,020,000

Part II: Subhead detail

£000

	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6				
	Admin	Other current	Grants	Gross Total	AmA	Net Total	Capital	Non-operating AmA	Provision Net Total Resource	2000-01 Net Total Resources
	7	8	9	10	11	12	13	14	15	16
R03: Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action, and improving health and safety										
	78,421	1,272,873	7,771,009	9,122,309	14,677	9,107,626	4,104	36	8,062,692	6,089,857
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government Spending</i>										
*A Housing	2,562	41,400	42,730	46,692	207	46,485	—	21	94,846	66,695
*B The Rent Service (executive agency)	36,078	237	—	36,315	—	36,315	1,250	—	37,015	34,812
*C Building Regulations	—	5,257	—	5,257	—	5,257	—	—	6,071	5,344
*D Payments to DfE for Regional Development Agencies and London Development Agency	—	—	449,673	449,673	—	449,673	—	—	378,375	281,819
*E Reparation and Regional Policy	—	966	41,760	42,726	—	42,726	—	—	60,349	23,206
*F Neighbourhood Renewal	—	59,000	88,550	147,550	—	147,550	—	—	38,403	2,426
*G Payments to Ordnance Survey	—	17,700	—	17,700	—	17,700	—	—	17,289	17,396
*H Planning	—	10,461	—	10,461	80	10,381	—	—	8,724	8,560
*I The Planning Inspectorate (executive agency)	32,442	—	—	32,442	6,485	25,958	3,867	—	31,214	30,480
*J European Structural Funds—Net	—	185,880	185,879	—	6,000	—	—	—	—	—
*K European Regional Development Fund Projects not funded by EU receipts	—	—	—	—	—	—	—	—	364	683
*L Fire Services	5	7,392	200	7,597	400	7,197	107	—	7,912	1,789
*M Fire Service College	—	—	—	—	—	—	—	—	385	550
*N Pneumoconiosis Compensation	—	—	13,685	13,685	—	13,685	—	—	14,183	14,827
<i>Support for Local Authorities</i>										
O Housing Specific Grants	—	—	230	230	—	230	—	—	81	55
*P Other Housing	—	—	71,612	71,612	—	71,612	—	—	64,261	11,023
*Q Regeneration	—	—	106,880	106,880	—	106,880	—	—	144,128	115,142
*R Neighbourhood Renewal	—	—	96,445	96,445	—	96,445	—	—	25,980	23,515
*S European Structural Funds—Net	—	—	—	—	—	—	—	—	—	—
T European Regional Development Fund Projects not funded by EU receipts	—	—	—	—	—	—	—	—	2	204
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government Spending</i>										
U Housing Revenue Account Subsidy—Housing Element	—	943,000	—	943,000	—	943,000	—	—	991,000	444,574
V Fire Superannuation	—	—	555	555	305	250	—	—	250	250

Part II: Subhead detail (Continued)

£000

	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6	7	8	9	10
	Admin	Other	Grants	Gross	AiA	Net Total	Capital	Non-operating AiA	Net Total Resource	Net Total Resources
<i>Support for Local Authorities</i>										
W Housing Revenue Account Subsidy—Rent Rebate element	—	—	3,379,000	3,379,000	—	3,379,000	—	—	2,380,500	2,668,424
<i>Non-Cash items</i>										
X Other Housing	—	212	—	212	—	212	—	—	179	139
Y The Rent Service (executive agency)	4,202	—	—	4,202	—	4,202	—	—	1,767	1,724
Z Payments to Ordnance Survey	—	—	—	1,373	—	1,373	—	—	1,433	—
AA The Planning Inspectorate (executive agency)	3,130	—	—	3,130	—	3,130	—	—	2,244	2,410
AB Fire Services	—	—	—	—	—	2	—	—	2	2
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
AC Housing Corporation	—	—	1,658,936	1,658,936	—	1,658,936	—	—	1,498,178	1,418,565
AD Other Housing	—	—	964,167	964,167	—	964,167	—	—	267,320	495,596
AE Payments to DTI for Regional Development Agencies and London Development Agency	—	—	591,950	591,950	—	591,950	—	—	568,195	500,142
AF Other Regeneration	—	—	272,132	272,132	1,300	270,632	—	—	311,379	400,899
AG Neighbourhood Renewal	—	—	165,000	165,000	—	165,000	—	—	110,000	9,559
AH European Structural Funds—Net	—	—	6,000	6,000	—	6,000	—	—	6,000	60,784
AI European Regional Development Fund Projects not funded by EU receipts	—	—	—	—	—	—	—	—	—	6,139
AJ Fire Services	—	-1	—	-1	—	-1	—	—	37	—
AK Fire Service College	—	—	—	—	—	—	1	15	—	—
AL BBE Privatisation	—	—	—	—	—	—	—	—	—	2
AM Payments to Ordnance Survey	—	—	—	—	—	—	—	—	15	—
R02: Promoting modern, integrated and safe transport and providing customer-focused regulation	403,518	5,166,316	4,073,862	9,637,217	376,963	9,260,754	729,195	13,827	9,191,582	6,562,879
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government Spending</i>										
★A Ports and shipping services	—	1,815	895	2,708	1,482	1,306	1,880	—	5,115	13,588
★B Maritime and Coastguard Agency	44,348	61,904	80	106,422	5,342	100,680	4,250	—	95,662	46,240
★C Aviation services	—	6,265	57,389	38,654	35,200	3,454	207	—	70,952	27,210
★D Transport security and royal travel	—	2,285	9,932	12,117	—	12,117	—	—	8,792	6,962
★E Highways Agency	74,718	587,943	1,508	668,161	25,615	642,546	747,321	19,286	641,270	631,658
★F Publicity and advice	—	18,407	21	18,428	—	18,428	—	—	17,471	17,307
★G Research	—	34,570	—	34,570	—	34,570	7,363	—	24,479	20,349

Part II: Subhead detail (Continued)

£000

Resources						Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	Alia	Net Total	Capital	Non-operating Alia	Net Total Resource	Net Total Resources
*H	Statistics, censuses and surveys	7,877	7,877	—	7,877	619	—	6,547	5,571
*I	Consultancies and other services for roads and local transport	9,126	1,161	10,317	126	10,211	80	21,923	18,492
*J	Railways	5,934	435	6,369	—	6,369	—	18,174	4,664
*K	Commission for Integrated Transport	1,500	—	1,500	—	1,500	—	2,300	472
L	Other Railways	67	55,420	55,487	—	55,487	—	57,500	48,213
*M	Water freight grants	—	3,306	3,306	—	3,306	—	—	11,598
N	Bus fuel duty rebates	329,500	—	329,500	—	329,500	—	346,000	300,264
*O	Driver and Vehicle Licensing Agency	251,431	6,091	257,922	141,406	116,516	5,121	125,672	90,836
*P	Vehicle and traffic enforcement	—	20,867	20,867	16,580	4,317	—	7,217	425
*Q	Vehicle Certification Agency	4,906	—	4,908	3,195	—287	232	—236	—181
*R	PowerShift and CleanUp	—	22,919	22,919	—	22,919	—	20,270	14,020
*S	Dartford River Crossing	—	—	—	48,680	—48,680	—	—	—
	Priority Routes in London	—	—	—	—	—	—	—	7,623
	Government Office Programme Expenditure	—	—	—	—	—	—	—	1,520
	Docklands Light Railway	—	—	—	—	—	—	—	5,399
	DLR Royal Mail Subsidies	—	—	—	—	—	—	—	15,079
	British Rail Grants	—	—	—	—	—	—	—	64,093
	Office of Passenger Rail Franchising	—	—	—	—	—	—	—	710,707
	Driving Standards Agency reserves fund	—	—	—	—	—	—	70	100
	Vehicle Inspection / Trading (Ind)	—	—	—	—	—	—	100	132
*T	Railtrack plc (in administration)	—	24,000	24,000	39,000	—15,000	—	15,000	—
	Support for Local Authorities	—	—	—	—	—	—	—	—
*U	GLA transport grant	—	296,080	296,080	—	296,080	—	211,168	267,459
*V	Other transport grants (discretionary resource expenditure)	—	112,919	112,919	—	112,919	—	67,348	38,617
W	Other transport grants (non-discretionary resource expenditure)	—	10,000	10,000	—	10,000	—	21,000	210,373
*X	Speed and red-light camera enforcement	—	58,125	58,125	58,125	—	—	—	3,107
	Prty-DVLC pensions	—	—	—	—	—	—	—	1,518
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
	Central Government Spending	—	—	—	—	—	—	—	—
	Local Services	—	—	—	—	—	—	7,008	—

Part II: Subhead detail (Continued)

£000

	Revenues					Capital		2002-03	2001-02	2000-01
	1	2	3	4	5	6	7	8	9	10
	Admin	Other current	Grants	Gross Total	Admin	Net Total	Capital	Non-operating Admin	Net Total Resources	Net Total Resources
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
Y	Ports and shipping Services									
		1,068		1,068		1,068			1,068	968
Z	Maritime and Coastguard Agency									
	1,654	4,613		6,487		6,487			4,934	5,308
AA	Aviation services									
		737		737		737			3,297	568
AD	Highways Agency									
	7,285	3,576,411		3,583,696		3,583,696			3,874,500	2,771,379
AC	Statistics, censuses and surveys									
		175		175		175			169	88
AD	Consultancies and other services for roads and local transport									
		48		48		48			48	63
AE	Driver and Vehicle Licensing Agency									
	18,293			18,293		18,293			15,261	8,050
AF	Vehicle Certification Agency									
	283			283		283			195	240
	<i>Office of Passenger Rail Franchising</i>									
										535
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
AG	Highways Agency									
		435,173		435,173		435,173			422,786	455,744
AH	Vehicle Inspectorate (trading fund)									
					2	1		1,598	1	3,003
AI	Driving Standards Agency (trading fund)									
			2	2	1	1		146	1	
AJ	Strategic Rail Authority									
			2,048,954	2,048,954		2,048,954			1,796,349	289,575
AK	Trans European network payments for other local transport projects (net)									
						1			1	
AL	Trans European network payments for rail and other transport industries projects (net)									
			2	2		2			2	
AM	Water Freight Grant									
			2,000	2,000		2,000			21,769	16,474
AN	Other Railways									
			503,290	503,290		503,290			216,000	23,464
AO	Goods Vehicle VFD Relief									
		1,000		1,000		1,000			229,000	291,577
AP	Capital transport grants to local authorities									
			178,268	178,268		178,268			109,176	83,463
AQ	Publicity and advice									
			600	600		600				
AR	GLA Transport Grant									
			762,500	762,500		762,500			508,700	34,352
	<i>Payments from Office for Passenger Rail Franchising</i>									
										527,355
	<i>London Regional Transport</i>									
										715,891
	<i>Consultancies and other services for roads and local transport</i>									
										2
	<i>Driver and Vehicle Licensing Agency</i>									
										4
	<i>Docklands Light Railway</i>									
										2,700
	<i>Trans European network payments (net)</i>									
									1	
	<i>Trans European network payments for local authority transport projects (net)</i>									
									1	
	<i>London Underground</i>									
									500,000	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
X	Civil Aviation Services									
									7,008	

Part II: Subhead detail (Continued)

£000

	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6	7	8	9	10
	Admin	Other current	Grants	Gross Total	ANA	Net Total	Capital	Non-operating ANA	Net Total Resources	Net Total Resources
BIR3: Promoting a system of elected government responding to the needs of local communities										
	—	172,998	37,631,197	37,804,195	2,339	37,806,534	540	40	37,806,594	35,242,881
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government Spending</i>										
*A	Valuation services	138,049	—	138,049	245	137,804	540	40	140,423	136,653
*B	Best value inspection subsidies to Public Corporations and best value intervention costs	22,730	—	22,730	—	22,730	—	—	22,730	16,774
*C	Local Government Research and Publicity Local Government commission mapping costs and Electoral law	4,624	—	4,624	360	4,264	—	—	6,148	4,524
*D	Local Government	6,992	—	6,992	—	6,992	—	—	13,634	8,048
<i>Secretary of State acting under transitional provisions under Greater London Authority Act 1999 (net)</i>										
	—	—	—	—	—	—	—	—	—	—
<i>Support for Local Authorities</i>										
*E	Revenue support grants	—	20,141,129	20,141,129	2,284	20,138,845	—	—	21,251,897	19,583,777
F	Non-domestic rates payments ²	—	16,626,000	16,626,000	—	16,626,000	—	—	15,137,000	15,400,000
*G	London governance	—	27,950	27,950	—	27,950	—	—	21,400	22,300
*H	Other grants and payments	—	312,859	312,859	—	312,859	—	—	249,767	8,452
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cap items</i>										
	Valuation services	—	—	—	—	—	—	—	139	157
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
I	Non-domestic rates millage adjustments	—	250,000	250,000	—	250,000	—	—	600,000	61,308
J	Other grants and public bodies	—	265,359	265,359	—	265,359	—	—	65,658	1,011
K	Non-departmental public bodies	—	7,900	7,900	—	7,900	—	—	6,355	—
BIR4: Providing for the administration of the DTLR and the Health and Safety Commission in meeting their objectives										
	534,334	65,635	2	599,971	98,732	501,239	31,695	435	529,913	464,944
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government Spending</i>										
*A	Central Administration	258,978	6,056	265,034	16,435	248,599	40,695	—	289,917	236,122
*B	Health and Safety Executive	199,106	53,880	252,986	58,343	194,643	6,402	37	191,152	181,548
*C	Health and Safety Laboratory	16,134	9,585	25,719	23,954	1,765	4,998	193	2,335	7,819
*D	PSA Services	7,000	—	7,000	—	7,000	—	—	9,000	9,320
*E	Queen Elizabeth II Conference Centre (executive agency)	1,220	—	1,220	—	1,220	—	—	1,320	1,248
<i>Queen Elizabeth II Conference Centre (executive agency) (trading fund) short-term loans</i>										
	—	—	—	—	—	—	—	—	—	19
<i>Government Office administration</i>										
	—	—	—	—	—	—	—	—	—	739

Part II: Subhead detail (Continued)

£000

	Resources					Capital	2002-03	2001-02	2000-01	
	1	2	3	4	5					6
	Admin	Other current	Gross	Gross Total	A-in-A	Net Total	Capital	Non-operating A-in-A	Net Total Resource	Net Total Resources
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash Items</i>										
F	Central Administration									
	37,798	94	—	37,798	—	37,798	—	—	37,725	38,464
G	Health and Safety Executive									
	10,152	20	—	10,172	—	10,172	—	—	10,510	11,124
H	Health and Safety Laboratory									
	4,040	—	—	4,040	—	4,040	—	—	3,412	2,609
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
I	Queen Elizabeth II Conference Centre Executive Agency Trading Fund short term loans									
			2	2	—	2	—	—	1	—
	<i>Privatisation of PSA</i>									462
	<i>Health and Safety Executive</i>									42
	<i>Health and Safety Laboratory</i>									62
Total	1,018,273	6,671,214	49,376,091	57,165,578	493,261	56,670,137	785,534	14,338	55,306,073	48,359,381

Part II: Resource to Cash reconciliation

£000

	2002-03	2001-02	2000-01
	provision	provision	outturn
Net Total Resources	56,670,317	55,306,103	48,359,381
Voted Capital Items			
Capital	785,534	2,851,981	548,783
Less Non-operating A-in-A	14,338	2,122,398	75,480
	771,196	729,583	473,303
Accruals to cash adjustment			
Cost of capital charges	-3,739,322	-3,616,263	-2,971,528
Depreciation	76,052	-63,558	49,136
New provisions and adjustments to previous provisions	138,182	23,711	177,905
Other non-cash items	-46	-42	-74
Increase (+)/Decrease (-) in stock	-208	-542	-265
Increase (+)/Decrease (-) in debtors	-385,616	421,716	8,417
Increase (-)/Decrease (+) in creditors	662,250	659,497	-236,958
Use of provisions	3,952	3,366	578
Total accruals to cash adjustments	-3,396,860	-3,415,547	-3,071,061
Excess cash to be CFERd	—	—	—
Net Cash Requirement	54,044,653	52,620,139	45,761,623

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	27,712	<i>27,212</i>	150,225	<i>1,250</i>	158,054	<i>129,701</i>
Non-operating income not classified as AinA	—	—	—	—	—	<i>21</i>
Other amounts collectable on behalf of the Consolidated Fund	55,074	<i>52,734</i>	68,560	<i>52,734</i>	77,423	<i>54,777</i>
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	87,386	<i>79,946</i>	218,785	<i>53,984</i>	235,477	<i>184,499</i>

Forecast Operating Cost Statement

	£'000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Administration Costs			
Request for Resources 1	71,936	74,995	71,326
Request for Resources 2	255,717	259,294	210,723
Request for Resources 3	—	—	—
Request for Resources 4	<u>448,202</u>	<u>481,752</u>	<u>386,136</u>
Total Net Administration costs	775,855	816,041	668,185
Net Programme Costs			
Request for Resources 1	9,030,975	7,882,710	5,913,393
Request for Resources 2	8,981,036	8,912,565	6,302,692
Request for Resources 3	37,800,674	37,501,864	35,241,984
Request for Resources 4	51,612	44,623	77,250
Non-voted Expenditure	<u>—</u>	<u>49,752</u>	<u>-91</u>
Total Net Programme costs	55,864,297	54,391,514	47,535,228
TOTAL NET OPERATING COST	56,640,152	55,207,555	48,203,413
<i>of which:</i>			
NET RESOURCE OUTTURN	56,670,317	55,306,103	48,359,381
CFERs	-30,165	-148,300	-155,877
Non-voted expenditure	—	49,752	-91
RESOURCE BUDGET OUTTURN	50,520,065	49,976,063	45,345,808

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	56,670,317	55,306,103	48,359,381
<i>Adjustments for:</i>			
Non-voted expenditure in the OCS	—	49,752	– 91
Consolidated Fund Extra Receipts in the OCS	– 30,165	– 148,300	– 155,877
Net Operating Costs (Accounts)	56,640,152	55,207,555	48,203,413
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	24,801	141,184	127,030
Full resource consumption of non-departmental public bodies	– 2,341,485	– 1,955,899	– 1,195,035
Full resource consumption of public corporations	– 90,788	– 601,290	– 356,036
Capital grants to the private sector and local authorities	– 3,565,594	– 2,098,837	– 1,279,434
Gains/losses from sale of capital assets	—	—	– 131
European Union income and related adjustments	264,571	350,638	258,154
Voted expenditure outside the budget	– 686,172	– 1,268,485	– 502,752
Unallocated resource provision	8,879	1,721	—
Other adjustments	265,701	199,476	90,599
Resource Budget Outturn (Budget)	50,520,065	49,976,063	45,345,808
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	42,460,628	41,953,154	38,956,579
Annually Managed Expenditure (AME)	8,059,437	8,022,909	6,389,229

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	771,196	729,583	473,303
Full capital expenditure by non-departmental public bodies	2,439,109	2,023,427	1,142,388
Full capital expenditure by public corporations	153,568	160,676	398,288
Capital grants to the private sector, LAs and PCs	2,442,994	2,117,537	942,406
Gains/losses from sale of capital assets	—	—	131
Local authority credit approvals	2,513,291	2,032,363	2,675,901
Unallocated capital provision	101,585	—	—
Other adjustments	435,166	422,779	455,605
Capital Budget Outturn	8,856,909	7,486,365	6,088,022
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	8,731,909	7,411,365	6,011,022
Annually Managed Expenditure (AME)	125,000	75,000	77,000

Explanation of Accounting Officer Responsibilities

1. The Treasury has appointed the Permanent Head of the Department for Transport, Local Government and the Regions as Accounting Officer of the Department with responsibility for preparing the Department's accounts and for transmitting them to the Comptroller and Auditor General.

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

3. The allocation of Accounting Officer responsibilities in the Department for Transport, Local Government and the Regions is as follows:

Requests for resources 1, 2, and 4: Sir Richard Mottram, Principal Accounting Officer and Permanent Head of the Department

Request for resources 3: Mr Philip Wood, Additional Accounting Officer and Director General of the Local and Regional Government Group of the Department.

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

Table 1

Analysis of Appropriations in Aid

	2002–03		2001–02		2000–01		£000
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
RfR1: Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action, and improving health and safety							
Housing—section A	207	21	202	21	82	-	
<i>Of which</i>							
<i>Rent Assessment Panels: charges for services etc</i>	205	—	200	—	82	—	
<i>Housing Corporation board: pension contribution</i>	2	—	2	—	—	—	
<i>Housing Corporation: receipt of loan interest</i>	—	21	—	21	—	—	
Building Regulations section C (receipts from co-sponsors)	—	—	110	-	116	-	
Planning—section H (planning research: receipts from co-sponsors)	80	—	80	—	66	—	
Planning Inspectorate Executive Agency—section I	6,485	-	6,035	-	3,611	-	
European Structural Funds (net)—section J	6,000	—	—	—	—	—	
Fire Service section L (receipts from inspections by HM Fire Service Inspectorate)	100	-	197	—	-	—	
Regeneration—section Q	—	—	363	—	1,963	—	

Analysis of Appropriations in Aid (continued)

Detail	2002-03 provision		2001-02 provision		2000-01 outturn		£000
	Operating AiaA	Non-operating AiaA	Operating AiaA	Non-operating AiaA	Operating AiaA	Non-operating AiaA	
Fire Superannuation—section V (contributions by employees towards fire-fighters pensions, and fire services transfer values received from Local Authorities)	305	—	305	—	305	—	—
Other housing—section AD (repayment of grant by local authorities in respect of the Private Sector Renewal Programme)	—	—	50	—	—	—	—
Other Regeneration—section AE Of which SRB: Capital receipts (clawbacks)	1,500	—	1,500	—	1,799	—	—
Fire Service College—section AJ (repayment of deemed and voted loans)	—	15	—	15	—	—	17
Total Rfr1	14,677*	36**	8,842	36	9,828	—	17

RFR2: Promoting modern, integrated and safe transport and providing customer-focused regulation

Ports and Shipping—section A (Receipts in respect of the IMO building, Mersey Conservancy, shipping services and the hire of Civil Defence equipment)	1,402	—	1,402	—	1,493	—	—
Maritime and Coastguard Agency section B (Fees and receipts from survey of ships, port state control inspections, examinations and the certification of seafarers)	5,742	—	5,742	—	7,406	—	—
Aviation services—section C (Receipts from Eurocontrol)	35,200	—	30,441	—	28,371	—	—
Highways Agency—section I Of which Highways Agency administration Highways Agency programme Book value on sale of existing buildings Book value of sale of other tangible capital	25,615	12,286	9,549	53,649	11,052	63,411	—
Statistics, censuses and surveys— section H (Sale of statistical services)	—	—	—	—	27	—	—
Consultancies and other services for roads and local transport—section I (Booking fees for driving assessments and disposal of MAVIS vehicles, and recoveries from local authorities in respect of public inquiries into highway orders)	126	—	126	—	23	—	—
Other railways—section L (privatisation of ROSCOS)	—	—	—	—	11,287	—	—
Driver and Vehicle Licensing Agency—section O Of which Drivers Vehicles	141,406	—	149,402	—	146,868	—	—
	51,170	—	53,000	—	47,436	—	—
	60,750	—	63,572	—	59,104	—	—

Analysis of Appropriations in Aid (*continued*)

	£000					
	2002–03 provision		2001–02 provision		2000–01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
<i>Sale of Marks</i>	5,600	—	6,850	—	6,500	—
<i>CT and assignment and related costs</i>	7,900	—	10,000	—	12,544	—
<i>Wheelclamping and out of court settlements</i>	12,000	—	12,000	—	16,643	—
<i>Award of court costs</i>	3,000	—	3,000	—	3,951	—
<i>Accommodation</i>	—	—	170	—	159	—
<i>Other</i>	986	—	810	—	425	—
<i>Sale of assets</i>	—	—	810	—	4	—
Vehicle and traffic enforcement—section P						
<i>(Operator Licence enforcement receipts)</i>	16,550	—	16,480	—	21,433	—
Vehicle Certification Agency—section Q						
<i>(Receipts from the private sector for vehicles and component testing and from the Department for enforcement and related work)</i>	5,195	—	5,195	—	5,874	—
Receipts from Dartford River Crossing Ltd— section S	48,600	—	—	—	—	—
Office of Passenger Rail Franchising	—	—	—	—	96,390	—
Government Office Programme Expenditure	—	—	—	—	2,701	—
Speed and red light camera enforcement—section X	58,124	—	9,994	—	6,183	—
Vehicle Inspectorate—section AH	2	1,395	2	61	—	62
<i>(Repayment of deemed and voted loans)</i>						
Driving Standards Agency—section AI	1	146	1	146	—	146
<i>(Repayment of deemed and voted loans)</i>						
Railtrack plc (in Administration) section T	39,000	—	—	1,600,000	—	—
<i>Payment from Office of Passenger Rail Franchising</i>	—	—	—	—	321,555	—
Consultancies for roads and local transport	—	—	—	—	2	—
Total RFR2	376,963*	13,827**	232,056	1,707,505	350,156	127,030

RFR3: Promoting a system of elected government responding to the needs of local communities

Valuation services— section A	245	40	245	40	329	31
Local Government Commission mapping costs and Electoral law— section C	360	—	—	—	15	—
Revenue support grants— section E	2,284	—	—	—	—	—
<i>(fine income from the Lord Chancellor's Dept)</i>						
Total RFR3	2,889*	40**	245	40	314	31

Analysis of Appropriations in Aid (continued)

	£000					
	2002–03 provision		2001–02 provision		2000–01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR4: Providing for the administration of the Department for Transport, Local Government and the Regions and the Health and Safety Commission in meeting their objectives						
Central administration—section A	16,435	—	16,435	—	16,421	—
<i>Government Office Administration:</i>		37			74	
Health and Safety Executive—section B	58,343	37		435		526
Health and Safety Laboratory – section C	23,954	398	—	—	—	—
<i>Privatisation of PSA</i>	—	—	—	—	464	—
Total RfR4	98,732*	435**	16,435	435	16,495	526
Grand Total	493,261*	14,338**	257,578	1,708,016	376,793	127,604

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

RfR1: research and administrative services, fee paying enquiries, dissemination and sales of information, royalties, the loan and hire of equipment, seminars, conferences and publications (in print and non-print media); sponsorship, including contributions from co-sponsors towards the cost of research and surveys; other government departments, agencies and non-departmental public bodies; receipts from the European Union; adjustments to commuted loan charges or residual loan charge grants; donations; receipts from the Housing Corporation; charges for services provided by leasehold valuation tribunals and other receipts by Rent Assessment Panels; recovered renovation or disabled facilities grants; recovered derelict land and other regeneration grants; charges made by the Planning Inspectorate executive agency in England and for services in Wales; inspections by HM Fire Service Inspectorate; contributions by employees towards fire-fighters' pensions; fire service superannuation transfer values received for local authorities; and repayments of deemed and voted loans made to the Fire Service College.

RfR2: research, statistical and administrative services, fee paying enquiries, dissemination and sales of information, royalties, the loan and hire of equipment, seminars, conferences and publications (in print and non-print media); sponsorship, including contributions from co-sponsors towards the cost of research and surveys; other government departments, agencies and non-departmental public bodies; receipts from the European Union; legal claims, including extra contractual claims for defective work, awards of court costs and out of court settlements; receipts for the use of accommodation; rental income and receipts from property and land; the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; fees for driving assessments; driver licence and vehicle fees; fees from duplicate licences; operator licence enforcement receipts; speed and red light camera fixed penalty receipts; fees for the sale, transfer, retention and extension of cherished registration marks; fines from wheel clamping; administration receipts arising from the operation of driver and vehicle licensing; charges for vehicle and component testing; recoveries from local authorities in respect of public inquiries into highway orders; the sale of land on completion or abandonment of highway schemes; receipts from Dartford River Crossing Ltd; receipts from claims for damage to motorways and trunk roads; contributions from developers to transport schemes; recoveries of costs of civil aviation services; the sale of civil aviation items; repayments of loans or other payments made to National Air Traffic Services; repayments of loans or other payments made under section 63 of the Railways Act 1993 to Railtrack plc (in administration); receipts from Strategic Rail Authority; the Channel Tunnel Rail Link; fees and receipts from the survey of ships, Port State Control inspections, examinations and the certification of seafarers; recoveries in respect of the International Maritime Organisation building; the Mersey Conservancy; shipping services; ports and associated pension schemes; Eurocontrol; subsidy provided under the New Deal—Welfare to Work; and repayments of deemed and voted loans made to the Vehicle Inspectorate and the Driving Standards Agency.

Analysis of Appropriations in Aid *(continued)*

RfR3: sponsorship, including contributions from co-sponsors towards the cost of research and publicity; the Home Office; repayments by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; receipts relating to the electoral functions of the Boundary Commission; and fines passed on by the Lord Chancellor's Department.

RfR4: research and administrative services, fee paying enquiries, dissemination and sales of information, royalties, the loan and hire of equipment, seminars, conferences and publications (in print and non-print media); other government departments, agencies and non-departmental public bodies; the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; receipts for the use of accommodation; rental income and receipts from property and land; sponsorship, including contributions from co-sponsors towards the cost of research and surveys; donations; legal claims, including extra contractual claims for defective work, awards of court costs and out of court settlements; in respect of the Health and Safety Commission fees and charges levied by the Health and Safety Commission (HSC); research and administrative services, testing (including EECS), fee paying enquiries, dissemination of information, royalties, the loan and hire of equipment, seminars, patent rights, conferences and publications (in print and non-print media) provided by the HSC; payments from other government departments, agencies, non-departmental public bodies and overseas governments to the HSC; sales of land and buildings, water, stores, plant, equipment, machinery and vehicles of the HSC; recoveries of seconded staff salaries of the HSC; receipts for the use of HSC accommodation; rental income and receipts from HSC property and land; sponsorship, including contributions from co-sponsors towards the costs of research and surveys carried out by the HSC; recoveries by the HSC from the European Union in respect of travelling expenses and subsistence; allowances incurred by HSC staff on European Union businesses; contributions and recoveries from European Union of costs of HSC research and projects; legal claims of the HSC, including awards of court costs and out of court settlements; refunds of advance of salaries of HSC staff; repayment of loans made by the HSC, including interest on the loans; residual items from the sale of the Building Research Establishment; and the sale of Property Services Agency businesses.

****** Amounts that may be applied as non-operating appropriations in aid arising from the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan or hire of equipment; the sale of motorway service area freeholds; repayments of loans or other payments made under section 63 of the Railways Act 1993 to Railtrack plc (in administration); the Channel Tunnel Rail Link; repayments by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; and the sale of PSA businesses.

Table II: Analysis of Consolidated Fund Extra Receipts (CFERs)

Detail	£000					
	2002-03		2001-02		2000-01	
	Income	Receipts	Income	Receipts	Income	Receipts
Large Scale Voluntary Transfer levy			120,000	--	100,000	--
Fire Service College (repayment of interest on long term loans)	397	--	397	--	401	--
Planning Inspectorate Executive Agency	190	--	190	--	340	--
The Rent Services Agency				--	1	--
Humber Bridge Board ●	15,000	--	11,100	--	8,783	--
Tyne Tunnel ●	1,465	--	1,740	--	1,733	--
Second Mersey Tunnel ●	2,663	--	2,660	--	2,662	--
Grants services and consultancies for roads and local transport ●	--	--	20	--	20	--
Speed and red light camera enforcement	--	--	4,390	--	--	--
Bus fuel duty grants ●	--	--	--	--	836	--
Highways Agency ●	5,100	--	4,621	--	11,038	--
Maritime and Coastguard Agency	686	--	686	--	6,852	--
Driver and Vehicle Licensing Agency	56,316	--	65,482	--	96,858	--
of which:						
Sale of Marks	29,400	--	38,150	--	50,071	--
Cherished Transfers and Assignments	25,674	--	26,000	--	27,126	--
Interest from Post Office	1,220	--	1,220	--	2,338	--
Excess Appropriations-in-Aid	--	--	90	--	16,508	--
Other	22	--	22	--	815	--
Driving Standards Agency (Trading Fund)	973	--	984	--	971	--
Vehicle Inspectorate (Trading Fund)	3,034	--	2,805	--	3,051	--
Transport statistics - freight			--	--	206	--
Operator Licence Fee Refunds	--	--	--	--	23	--
Valuation Services	24	--	32	--	17	--
Health and Safety Executive	--	--	--	--	23	--
Central administration	50	--	50	--	108	--
QEII Conference Centre Agency (Trading Fund)	1,488	--	1,495	--	1,576	--
Miscellaneous		79,946	--	53,984	--	184,499
Total CFER's	87,386	79,946	215,576	53,984	235,476	184,499

Expenditure resting on the sole authority of the Appropriation Act

- Expenditure of £50,000 on RfR1, Section A, for the tenant's deposit scheme.
- Expenditure of £3,000,000 on RfR1, Section A, for the Home Buying and Selling Initiative.
- Expenditure in respect of fire related matters: fire research programme £821,000; investment in the Community Fire Safety Centre £4,886,000, grants to Fire Service Youth Training Association £58,000; and grant to Chief and Assistant Chief Officer's Association £150,000 (RfR1 Sections AN-AR).
- Expenditure of £150,000 on RfR2 Section W for grants in respect of centres of excellence.
- Expenditure of up to £30,000,000 on RfR2 Section C, for support to the National Air Traffic Services.

Changes to accounting policies

Treatment of Sale of Mark income

The Vehicle Excise and Registration Act 1994, supplemented by the Sale of Marks Regulations 1995, empowered the Driver and Vehicle Licensing Agency to charge for the sale of previously unissued registration marks, for the transfer of cherished registration marks and for the assignment of cherished marks to the vehicles.

HM Treasury directed in 1999–2000 that this income should be classified as taxation for the purposes of the National Accounts. But, as in previous years, the Agency is entitled to cover the costs to the Agency of carrying out these activities and this income is shown separately in the operating cost statement. The balance of income (i.e. the taxation element) from these activities is surrendered to the Consolidated Fund. In previous years the taxation income was excluded from the operating cost statement and shown separately in a note to the accounts. For 2001–02 Treasury has agreed, however, that the taxation income can be included in the operating cost statement. The 2000–01 accounts have been restated to reflect this change in accounting policy.

DEL and administrative cost limits

Administration Costs Limits

	Gross provision	Income	£000 Total administration costs limit
Gross administration costs limits	916,788	-9,080	907,708
Net administration costs limits	21,110	-21,329	-219

2002–03 Departmental Expenditure Limits

	Voted	Non-Voted	£000 Total
Resource DEL	40,684,774	1,811,854	42,460,628
Capital DEL	4,242,868	4,489,041	8,731,909
Total DEL	44,891,642	6,300,895	51,192,537

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision & forecast outturn

RfR1: The resource provision sought for 2002–03 is 8% (£796 million) lower than the final resource provision for 2001–02.

RfR2: The provision sought for 2002–03 is 1% (£74 million) higher than the final resource provision for 2001–02.

RfR3: The provision sought for 2002–03 is 1% (£296 million) higher than the final resource provision for 2001–02.

RfR4: The provision sought for 2002–03 is 8% (£95 million) lower than the final resource provision for 2001–02.

Gifts

RfR2—promoting modern, integrated and safe transport and providing customer-focused regulation

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

Gifts by the Driver and Vehicle Licensing Agency to visiting dignitaries (primarily from European Union member states), not exceeding a total of £500 in any one year;

Gifts by the Driver and Vehicle Licensing Agency of obsolete equipment/furniture to charities, not exceeding a total of £1,000 in any one year;

A total donation of £1,000 by the Driver and Vehicle Licensing Agency to charity through the local office of the year scheme; and

A total donation of £500 a year by the Driver and Vehicle Licensing Agency to the West Wales Association of Communication Centres.

RfR4—providing for the administration of the DTLR and the Health and Safety Commission in meeting their objectives

Gifts presented by Ministers on official delegations; and

Prizes totalling up to £100 for designs for a departmental Christmas card.

Cash which may be retained to offset expenditure

Cash, which may be retained to offset expenditure, is £507.6 million in 2002–03.

Contingent liabilities

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

There were several contingent liabilities outstanding at 31 March 2001, where any costs arising would be met from this request for resources are as follows:—

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

Statute	Nature of liability	£m
New Towns Act 1981	Guarantee of commission for New Towns temporary borrowing	2.0
	Non-statutory liabilities charged to Request for Resources	
	Any expenditure arising from the indemnity by the United Kingdom Atomic Energy Authority to certain ship owners in respect of claims by third parties from dumping radioactive waste at sea	Unlimited

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

The contingent liabilities outstanding at 31 March 2001, where any costs arising would be met from this request for resources are as follows:—

Statute	Nature of liability	£m
	Statutory liabilities charged to request for resources	
Merchant Shipping Act 1995, section 56	Large payments of compensation as the result of injuries to trainees participating in the Merchant Navy Scheme for maritime training (SmarT), as the Department is responsible for the cost of compensation for any injuries to trainees, under the industrial injuries compensation scheme. There are no known liabilities for 2000-01 or 2001-02. Small payments could be met from existing provision	Unquantifiable
Channel Tunnel Act 1987, sections 25, 26 and 29	Potential liabilities in the event of termination of Eurotunnel's concession	Unquantifiable
Marine and Aviation Insurance Act 1952, section 1	Government war risk reinsurance for British shipowners insuring their vessels with the British Mutual War Risks Association (Clubs). Under the current agreement with Clubs, the Government provides 95 per cent reinsurance for Queen's enemy risks (QER). A contingent liability arises from the continuous QER cover for the hull and machinery value of British flag vessels entered with the Clubs	Unquantifiable
London Regional Transport Act 1984, section 20(i)	Guarantee of London Transport's temporary borrowing.	10.0
Railways Act 1993, Schedule 11, paragraph 11	Guarantee to the Trustee of the Railways Pension Scheme (RPS) in respect of any deficit arising in the 1994 Pensioners Section of the RPS. The 1994 Pensioners Section comprises members of the former Pensioners (A) and (B) sections of the Railways pension scheme and pensioners/deferred pensioners transferred in from BR Section of the RPS on 30 December 2000	Unquantifiable
	July 1993 - Memorandum of understanding between Government, BR and Pension trustees about a Government Solvency Guarantee for the BR Section of the Railways Pensions Scheme in event Section becomes unstable (still extant for residual BR Section after transfer of non-actives to the 1994 Pensions Section, as above)	Unquantifiable
Land Compensation Act 1973, Part I	Highways Agency: compensation claims from homeowners for lost value for a property, as a result of physical change such as noise and light, associated with new or improved roads. Claims become inevitable once the construction phase is started and the Agency accounts for the constructive obligation as a provision. A legal obligation crystallises one year after the road has opened for traffic when home owners are entitled to lodge claims that are normally settled in less than a year. Such obligations are treated as contingent liabilities until the start of construction work	36.0

	Highways Agency: a contingent liability arises from a number of property cases, which are in dispute or have been referred to the Lands Tribunal for resolution. The Agency has provided in its accounts a best estimate of the outcome of these cases. The maximum liability is greater than the estimate by £113 million	Up to 113.0
Civil Aviation Act 1982, section 14	Guarantee of Civil Aviation Authority temporary borrowing	13.0
	Non-statutory liabilities charged for Request for Resources	
	General Lighthouse Authorities' pension funds	186.0
	Reinstatement of International Maritime Organisation (IMO) building, abatement of rent if IMO building destroyed, and rehousing of IMO during rebuilding	102.3
	Channel Tunnel Rail Link—Government guarantee bonds	3,750.0
	Channel Tunnel Rail Link—track access payments	Up to 360.0
	North Atlantic Treaty Organisation (NATO) agreement relating to the indemnification of civil aircraft in respect of their use on NATO tasks in times of crises and war	Unquantifiable
	Guarantee in respect of obligations of Eurostar (UK) Ltd at Ashford international passenger station	133.0 (over a period of next 21 years)
	Guarantee in respect of leases entered into for Class 465 electrical multiple units for Network South East, following disposal of rail rolling stock companies	Up to a maximum of 211.0
	BR as a going concern: assurance given to Board that adequate Government funds will be made available to meet any financial obligations arising from the BR Board's present or future liabilities, or liabilities arising from past transactions, events and circumstances	28.0
	BR as a going concern: assurance given to the Strategic Rail Authority that adequate Government funds will be made available to meet any financial obligations from BR liabilities transferred to the SRA	1,600.0
	Dartford Thurrock Crossing: protection to third parties in the event of siltation or scouring attributable to bridge construction where costs arise beyond the time they could be met from toll revenue	Unquantifiable
	Birmingham Northern Relief Road: liabilities arising under the agreement with the concessionaire in the event of changes in policy or legislation	Unquantifiable
	Second Severn Crossing: liabilities arising under the agreement with the concessionaire	Unquantifiable
	Highways Agency: arbitration on contractual claims for engineering and construction services. The Agency, in its management accounts, has provided for the best estimates of the outcome of these cases. If the claimants were successful in pursuing the full amount of their claims, a further liability of £50 million could be incurred	Up to 50.0
	Maritime and Coastguard Agency: liability of Medical Advisors	Unquantifiable
	Maritime and Coastguard Agency: SS Richard Montgomery and Beam Trawlers Stability	Unquantifiable
	Maritime and Coastguard Agency: liability in respect of Fishing Vessel Surveys	2.3
	Maritime and Coastguard Agency: re-instatement of land	0.8

The Air Travel Trust, which is administered by the Civil Aviation Authority as Trustees, provides protection for air-package holiday makers in the event of a collapse of tour operators whose statutory bonds are insufficient to meet claims. A Government guarantee has been given to the Fund so that the Trustees may borrow from the Banks, if the need arises. 21.0

Other Liabilities to note (DVLA related)

Provision for Liabilities and Charges

Former Taxation Officers' Pensions and Early Departure Costs	£m
Provision at 1 April 2001	8.0
Provision utilised	1.7
Provision as at 31 March 2002	6.3

Capital Commitments

Contracted Capital Commitments 2002	under 0.5
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Operating Leases

Commitments due on existing operating leases payable within one year of the balance sheet date are:

Lease expiry dates within one year	under 0.5
Lease expiry dates between one and five years	3.2
Leases with expiry dates beyond five years	1.9
Total	5.3

RfR4: Providing for the administration of the DTLR and the Health and Safety Commission in meeting their objectives.

The non-statutory contingent liabilities outstanding at 31 March 2002, where any costs arising would be met from this Request for Resources are as follows:

Claims from staff affected by asbestos who worked for the Property Services Agency or its predecessors	£m Up to 0.5
--	------------------------

The Department's decisions and actions are subject to judicial review and other appeals in the courts. Currently there are around 300 cases where proceedings in the courts have commenced. Not all of these cases will come to court and, where they do come to court, the outcome is not clear. Unquantifiable

Grants-in-aid	£m
RfR1: Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action and improving health and safety	
Urban Regeneration Agency	114
Housing Action Trusts	114
Housing Corporation	1,270
RfR2: Promoting modern, integrated and safe transport and providing customer-focused regulation	
Strategic Rail Authority	1,112
RfR3: Promoting a system of elected Government responding to the needs of local communities	
Local Government Commission	2.9
Standards Board for England	7.9
RfR4: Providing for the administration of the DTLR and the Health and Safety Commission in meeting their objectives.	
Health and Safety Commission	210.1
International subscriptions	
International Civil Aviation Organization	1.9

Office of the Rail Regulator

Introduction

1. This Estimate provides for expenditure by the Office of the Rail Regulator (ORR) on administrative and associated capital and other expenditure. Further details of the expenditure contained in Part I of this Vote can be found in the Department of Transport, Local Government and the Regions' Report 2002 (Cm 5405).
2. The ORR is responsible for the regulation of access to the railways and promotion of competition in the provision of services. It is also responsible for promoting efficiency and economy of those providing railway services and protecting the interests of railway service users.
3. This Estimate is subject to gross administration cost control, and covers expenditure on salaries of staff and associated general administrative expenditure.
4. ORR's expenditure is offset by income from licence fees collected from the Rail Network Provider and the Train Operating Companies. The provision sought for 2000–03 net resource requirement of £1,000 reflects the appropriation in aid of licence fee receipts to be levied by ORR.
5. Symbols are explained in the Introduction to this booklet.

Part I

RfR1: To create a better railway for passengers and freight and better value for public funding authorities through independent, fair and effective regulation.†	£ 1,000
Net cash requirement	2,153,000

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

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

administration, capital expenditure and associated non-cash items

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

	Net Total £	Allocated in Vote on Account £	Balance to Complete/ Surrender £
RfR1	1,000	90,000	– 89,000
Net cash requirement	2,153,000	—	2,153,000

† In the Vote on Account the Ambit for RfR1 was described as ‘To create a better railway for passengers and freight customers, and better value for public funding authorities, through effective regulation in the public interest.’

Part II: Subhead detail

Resources						Capital	2002-03	2001-02	£000
1	2	3	4	5	6	7	8	Provision	2000-01
Admin	Other current	Grants	Gross Total	AIAA	Net Total	Capital	Non-operating AIAA	Net Total Resource	Net Total Resources
RRO1: To create a better railway for passengers and freight customers and better value for public funding authorities through effective regulation in the public interest									
13,129	—	—	13,129	13,128	1	190	—	199	1,398
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government spending</i>									
*A Administration associated capital and other expenditure									
12,444	—	—	12,444	11,128	-684	190	—	-250	-141
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Non-Cash Items</i>									
B Administration associated capital and other expenditure									
685	—	—	685	—	685	—	—	451	953
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
<i>Administration associated capital and other expenditure</i>									
—	—	—	—	—	—	—	—	199	586
Total:	15,129	—	13,129	13,128	1	190	—	199	1,398

Part II: Resource to Cash reconciliation

	2002-03	2001-02	2000-01	£000
	provision	provision	outturn	
Net Total Resources	1	199	1,398	
Voted Capital Items				
Capital	190	250	312	
Less Non-operating A-in-A	—	—	586	
	190	250		-274
Accruals to cash adjustment				
Cost of capital charges	-72	-80	-154	
Depreciation	-560	-320	-710	
New provisions and adjustments to previous provisions	-53	-53	-89	
Other non-cash items	-33	—	-33	
Increase (+)/Decrease (-) in stock	—	—	—	
Increase (+)/Decrease (-) in debtors	—	—	199	
Increase (-)/Decrease (+) in creditors	2,674	—	-91	
Use of provisions	6	5	6	
Total accruals to cash adjustments	1,962	-448		-872
Excess cash to be CFERd	—	—		2
Net Cash Requirement	2,153	1		254

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	—	—	—	—	8	8
Non-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	2
Total	—	—	—	—	8	10

Forecast Operating Cost Statement

	£000		
	2002-03 provision	2001-02 provision	2001-01 outturn
Net administration costs:			
Request for Resources 1	1	199	1,390
Net programme costs:			
Request for Resources 1	—	—	—
NET OPERATING COST	1	199	1,390
<i>of which:</i>			
NET RESOURCE OUTTURN	1	199	1,398
CFERs	—	—	—8
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN	1	199	804

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	1	199	1,398
<i>Adjustments for:</i>			
<i>Consolidated Fund Extra Receipts in the OCS</i>			– 8
Net Operating Costs (Accounts)	1	199	1,390
<i>Adjustments for:</i>			
<i>Gain/losses from sale of capital assets</i>			– 586
Resource Budget Outturn (Budget)	1	199	804
<i>Of which:</i>			
<i>Departmental Expenditure Limit (DEL)</i>	– 684	– 254	– 149
<i>Annually Managed Expenditure (AME)</i>	685	453	953

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	190	250	– 274
<i>Gains/losses from sale of capital assets</i>		–	586
Capital Budget Outturn	190	250	312
<i>of which:</i>			
<i>Departmental Expenditure Limits (DEL)</i>	190	250	312
<i>Annually Managed Expenditure (AME)</i>	–	–	–

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriation in Aid

	2002–03		2001–02		2000–01	
	Provision		Provision		Outturn	
	Operating	Non-	Operating	Non-	Operating	Non-
	A-in-A	operating	A-in-A	operating	A-in-A	operating
		A-in-A		A-in-A		A-in-A
RfRI: To create a better railway for passengers and freight customers, and better value for public funding authorities, through effective regulation in the public interest						
Licence fees	13,128	—	13,200	—	13,204	—
Rent receipts	—	—	—	—	147	—
Recovery of legal costs	—	—	—	—	300	—
Total Appropriations-in-Aid	13,128*	—	13,200	—	13,651	—

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

Departmental Expenditure Limits and Administrative Cost Limits

2002–03 Administration Costs Limits				£000s
	Gross provision	Income	Total administration costs limit	
Gross administration costs limits	12,444	—	12,444	
2002–03 Departmental Expenditure Limits				£000s
	Voted	Non-Voted	Total	
Resource DEL	–684	—	–684	
Capital DEL	190	—	190	
Total DEL	–494	—	–494	

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with forecast outturn

For 2001-02 the forecast resource outturn is estimated to be a Gross Total of £10,526,000, and Licence fees of £13,200,000 have been collected. This will result in a Deferred Income total of £2,674,000. The surrender of surplus cash to the consolidated fund is estimated to be £2,878,000 (which includes full cost recoveries attributable to non-cash costs netted-off against the planned capital spend for the years 2001-02 and 2002-03, as shown in the Resource to Cash reconciliation schedule).

The comparative figures for 2002-03 show total gross expenditure of £13,129,000 which is an increase of 24.7 per cent. This has occurred because the expenditure in 2001-02 was reduced and delayed due to the uncertainties created following Railtrack being put into administration. The Gross Total expenditure for 2002-03 represents a more usual level.

In 2001-02 the licence fees provision for appropriations in aid, were set before Railtrack's administration was known. It is expected therefore that licence fees collected will exceed the Gross Total Expenditure by £2,674,000. This will be treated as deferred income and carried forward to the year 2002-03.

In 2002-03 Appropriations in Aid are expected to be £13,128,000 compared to the £10,526,000 forecast outturn income for 2001-02. The appropriations in aid to be raised in cash terms for 2002-03 is estimated to be £10,454,000 plus the deferred income of £2,674,000 which will be brought forward from 2001-02. This represents a decrease in cash receipts of 20.8 per cent from 2001-02 to 2002-03 and an increase in appropriations in aid of 24.71 per cent from 2001-02 to 2002-03.

Home Office

Introduction

1. Section A to L, M to N and AB to AU of Request for Resources 1 provide for Home Office direct expenditure explained in the Home Office 2002 Departmental Report in relation to: criminal policy and programmes in section 3 (Aims 2 and 4), police in section 3 (Aims 1 and 3), organised crime, drugs and international in section 3 (Aim 3), emergency planning in section 3 (Aim 7), central services in section 4, research and statistics in section 4, criminal injuries compensation in section 3 (Aim 2), control of immigration and nationality in section 3 (Aim 6), issue of passports, etc, in section 3 (Aim 6), and constitutional and community in section 3 (Aim 5). They also provide for the payment of certain grants to local authorities.
2. Section A to I of Request for Resource 2 provide for Prison Service Agency direct expenditure on prison operators section 3 (Aim 4).
3. Section O provides for expenditure explained in the Home Office 2002 Departmental Report on: superannuation transactions for police officers temporarily employed on central support and training duties.
4. Sections P to AA of RfR1 and sections E to G of RfR2 relate to the non-cash costs of the Home Office and Prison Service Agency, introduced under RAB.
5. Expenditure for the criminal justice system is contained within the Home Office Estimate (as well as those Estimates for the Lord Chancellor's Department and Crown Prosecution Service).
6. Symbols are explained in the introduction to this booklet.

Part I

	£
RfR1: Building a safe, just and tolerant society	8,018,460,000
RfR2: Protecting the public by holding prisoners in decent conditions and reducing re-offending after release	2,328,576,000
Total net resource requirement	10,347,036,000
Net Cash requirement	10,227,494,000

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

RfR1: Building a safe, just and tolerant society

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

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

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

The Home Office will account for the Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	8,018,460,000	3,326,096,000	4,692,364,000
RfR2	2,328,576,000	1,004,105,000	1,324,471,000
Total net resource requirement	10,347,036,000	4,330,201,000	6,016,835,000
Net cash requirement	10,227,494,000	4,328,460,000	5,899,034,000

Part II: Subhead detail (Continued)

2000

Resources						Capital	2002-03	2001-02	2001-01
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	AmA	Net Total	Capital	Non-operating AmA	Net Total Resource	Net Total Resources
RFR1: Building a safe, just and tolerant society									
1,074,260	777,643	6,238,556	8,290,459	271,999	8,018,460	260,663	2,158	8,346,354	6,941,823
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government spending</i>									
*A Police									
86,735	191,376	201,351	479,442	32,431	467,011	134,878	203	419,851	199,212
*B Crime reduction									
4,880	—	167,400	172,280	—	172,280	—	—	110,552	—
*C Organised crime, drugs and international									
31,797	11,938	1,800	45,525	554	44,971	58	5	60,072	28,371
*D Criminal policy and programmes									
34,994	216,930	23,307	265,231	38,184	227,047	69,910	—	625,784	132,190
*E Crime records bureau									
70,665	—	—	70,665	66,665	4,000	800	—	32,600	—
*F Probation HQ									
8,600	77,178	3,223	89,001	—	89,001	—	—	65,301	—
*G Community policy									
6,413	6,220	53,994	66,627	3,780	62,848	403	—	47,913	63,961
*H Immigration and nationality									
509,822	456,493	4,119	970,434	15,068	955,366	41,929	—	1,676,543	1,824,691
*I Passport service									
121,309	700	—	122,009	131,309	-9,300	16,070	—	-6,916	-41,076
*J Research and statistics									
9,362	9,269	35	18,666	132	18,534	141	—	31,563	25,456
*K Central services									
131,131	6,371	—	137,502	2,856	134,646	835	—	163,465	144,094
*L Emergency planning									
1,776	-22	—	1,754	—	1,754	—	—	1,822	1,775
<i>Firearms compensation</i>									
—	—	—	—	—	—	—	—	—	100
<i>Electoral commission—start up costs</i>									
—	—	—	—	—	—	—	—	—	300
<i>Support for Local Authorities</i>									
M Police grants									
—	—	4,005,480	4,005,480	—	4,005,480	—	—	3,995,109	3,822,360
*N Police current grants outside AEF									
—	—	73,514	73,514	—	73,514	—	—	102,752	62,773
<i>Probation current grants</i>									
—	—	—	—	—	—	—	—	—	449,350
<i>Kosovan evacuees special grant</i>									
—	—	—	—	—	—	—	—	—	13,408
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Central Government spending</i>									
O Police service expenditure									
—	—	1,850	1,850	1,019	831	—	—	831	616
<i>Metropolitan police civil staff pensions</i>									
—	—	—	—	—	—	—	—	6,058	—
<i>Non-Cash Hour</i>									
P Police									
7,290	—	—	7,290	—	7,790	—	—	7,330	8,735
Q Organised and international crime									
69	—	—	69	—	69	—	—	102	1,106
R Criminal policy and programmes									
25,337	—	—	25,337	—	25,337	—	—	15,383	23,290

Part II: Subhead detail (Continued)

£000

Resources						Capital	2002-03	2001-02	2001-01
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	Admin	Net Total	Capital	Non-operating Admin	Net Total Resource	Net Total Resources
S Criminal records bureau	439	—	439	—	439	—	—	150	—
T Probation HQ	50	—	50	—	50	—	—	50	—
U Community policy	231	—	231	—	231	—	—	203	895
V Immigration and nationality	30,600	—	30,600	—	30,600	—	—	23,009	9,782
W Passport service	2,945	—	2,945	—	2,945	—	—	2,874	1,325
X Research and statistics	207	—	207	—	207	—	—	94	5
Y Central services	883	—	883	—	883	—	—	2,304	10,182
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
Z Police capital grants	—	193,114	193,114	—	193,114	—	—	101,714	91,114
AA Crime Reduction capital grants	—	63,000	63,000	—	63,000	—	—	203,400	23,568
AB Organised and international crime capital grants	—	7,190	7,190	—	7,190	—	—	3,556	490
AC Criminal policy and programmes capital grant	—	21,700	21,700	—	21,700	—	—	2,700	3,756
AD Community policy capital grants	—	10,000	10,000	—	10,000	—	—	12,000	346
AE Police loan charges grants	—	12,553	12,553	—	12,553	—	—	14,200	13,936
AF Probation loan charges grants	—	2,893	2,893	—	2,893	—	—	2,597	2,886
AG Gov refunds to carriers	1,200	—	1,200	—	1,200	—	—	1,200	1,200
AH Police information technology organisation	—	25,038	25,038	—	25,038	—	—	49,408	58,730
AI Police complaints authority	—	3,570	3,570	—	3,570	—	—	4,418	3,467
AJ Central police training and development agency	—	58,927	58,927	—	58,927	—	—	—	—
AK National criminal intelligence service	—	68,500	68,500	—	68,500	—	—	—	—
AL National crime squad	—	134,050	134,050	—	134,050	—	—	—	—
AM Criminal injuries compensation awards	—	29,820	29,820	—	29,820	—	—	29,820	23,531
AN Criminal injuries compensation	—	183,264	183,264	—	183,264	—	—	183,264	200,500
AO Criminal cases review commission	—	7,473	7,473	—	7,473	—	—	7,557	5,415
AP Youth justice board	—	284,417	284,417	—	284,417	—	—	291,660	518,094
AQ National probation service (local area boards)	—	571,882	571,882	—	571,882	—	—	20,020	—
AR Office of the Immigration Services Commissioner	—	3,500	3,500	—	3,500	—	—	3,500	2,025

Part II: Subhead detail (Continued)

£000

Resources						Capital	2002-03	2001-02	2001-01	
1	2	3	4	5	6	7	8	9	10	
Admin	Other current	Grants	Gross Total	AsA	Net Total	Capital	Non-operating AsA	Net Total Resources	Net Total Resources	
AS Community development foundation		937	937	—	937			937	937	
AT Commission for racial equality		20,053	20,053		20,053			20,184	16,689	
AU Forensic Science Service		400	400		400	1,632	1,948	2,214	—	
AV Office of the Information Commissioner		1	1		1				5,473	
Probation capital grants									21,634	
Gaming Board for Great Britain									3,366	
RFR2: Protecting the public by holding prisoners in decent conditions and reducing re-offending after release										
	2,307,644	178,267	48,087	2,533,998	205,423	2,328,576	162,655	24,925	2,249,768	2,128,870
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Prison operations (public sector)	1,455,876	86,833	29,023	1,571,732	172,698	1,402,034	161,346	23,830	1,551,856	1,263,139
*B Prison operations (contracted out)	276,767	—	—	276,767	—	276,767	—	—	269,433	232,828
*C Prison service headquarters and central services	125,532	4,333	3,479	133,344	17,068	114,296	909	75	110,009	171,290
*DD Prison Service HQ (TJB Income)	—	—	—	—	275	-275	—	—	-275	—
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Capex items</i>										
E Prison operations (public sector)	395,626	—	12,000	407,626	15,381	391,725	—	—	373,316	354,962
F Prison operations (contracted out)	25,100	—	—	25,100	—	25,100	—	—	24,683	34,151
G Prison service headquarters and central services	28,253	—	—	28,253	—	28,253	—	—	28,702	11,643
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
H Associated with asset disposals	—	87,046	—	87,046	—	87,046	—	—	70,648	71,836
I Prison service parole board	—	—	3,583	3,583	—	3,583	—	—	3,336	—
Total	3,381,904	1,155,910	6,286,643	10,824,457	477,421	10,347,036	423,318	28,083	10,587,122	9,070,693

Part II: Resource to Cash reconciliation

	2002-03 Provision		2001-02 Provision		2000-01 Outturn	
Net Total Resources	10,347,036		10,587,122		9,070,693	
Voted Capital Items						
Capital	423,318		503,530		208,880	
<i>Less Non-operating A-in-A</i>	<u>28,083</u>		<u>18,763</u>		<u>23,101</u>	
	395,235		484,767		185,779	
Accruals to cash adjustment						
Cost of capital charges	- 321,786		- 305,797		- 260,199	
Depreciation	- 177,003		- 161,066		- 139,638	
New provisions and adjustments to previous provisions	- 13,000	- 11,317		- 29,351		
Other non-cash items	- 260		- 260		- 113	
Increase (+)/Decrease (-) in stock	- 1,962		- 2,592		- 9,720	
Increase (+)/Decrease (-) in debtors	2,619		- 3,476		2,403	
Increase (-)/Decrease (+) in creditors	- 15,285		33,451		- 36,574	
Use of provisions	<u>11,900</u>		<u>5,417</u>		<u>10,941</u>	
Total accruals to cash adjustments	- 514,777		445,640		- 462,251	
Excess cash to be CFERd	—		—		—	
Net Cash Requirement	10,227,494		10,626,249		8,794,221	

Part III: Extra Receipts payable to the Consolidated Fund

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

	2002-03 Provision		2001-02 Provision		2000-01 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	13,517	<i>9,824</i>	15,654	<i>4,087</i>	11,019	<i>11,421</i>
Non-operating income not classified as A in A	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	27,687	<i>27,687</i>	17,382	<i>34,958</i>	11,000	<i>11,003</i>
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	41,204	<i>37,511</i>	33,036	<i>39,045</i>	22,019	<i>22,424</i>

£000

Forecast Operating Cost Statement

	2002-03 provision	2001-02 provision	2000-01 provision	£000
Net Administration Costs				
Request for Resources 1	871,509	939,896	716,612	
Request for Resources 2	2,118,883	2,051,502	1,927,737	
Total Net Administration costs	2,990,392	2,991,398		2,644,349
Net Programme Costs				
Request for Resources 1	7,133,434	7,390,804	6,214,192	
Request for Resources 2	209,693	189,266	201,133	
Total Net Programme costs	7,343,127	7,580,070		6,415,325
TOTAL NET OPERATING COST	10,333,519	10,571,468		9,059,674
<i>of which:</i>				
NET RESOURCE OUTTURN	10,347,036	10,587,122		9,070,693
CFERs	-13,517	-15,654		-11,019
Non-voted expenditure	—	—		
RESOURCE BUDGET OUTTURN	9,932,607	10,178,650		8,836,349

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	10,347,036	10,587,122	9,070,693
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	– 13,517	– 15,654	– 11,019
Net Operating Costs (Accounts)	10,333,519	10,571,468	9,059,674
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	13,517	15,654	11,019
Full resource consumption of non-departmental public bodies	5,909	14,638	– 11,548
Full resource consumption of public corporations	– 5,000	– 4,719	—
Capital grants to the private sector and local authorities	– 295,004	– 343,439	– 132,928
Gain/losses from sale of capital assets	—	2,000	– 12,320
Full resource consumption probation service	– 675,574	– 90,645	– 77,548
Unallocated resource provision	11,460	8,729	—
Other adjustments—full resource consumption probation service	543,780	4,964	—
Resource Budget Outturn (Budget)	9,932,607	10,178,650	8,836,349
<i>Of which:</i>			
Department Expenditure Limit (DEL)	9,385,783	9,670,312	8,399,646
Spending in Employment Opportunities Fund (EOF) DEL			
Annually Managed Expenditure (AME)	546,824	508,338	436,703

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	395,235	484,767	185,779
Full capital expenditure by non-departmental public bodies	73,979	93,025	54,051
Full capital expenditure by public corporations	25,408	29,263	17,847
Capital grants to the private sector, LAs and PCs	295,004	343,439	132,928
Gains/losses from sale of capital assets	—	– 2,000	12,320
Local authority credit approvals	92,316	66,316	55,637
Unallocated capital provision	1,900	310	—
Other adjustments	87,046	72,648	59,394
Capital Budget Outturn	970,888	1,087,768	517,956
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	954,989	1,066,419	502,017
Annually Managed Expenditure (AME)	15,899	21,349	15,939

Explanation of Accounting Officer Responsibilities

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

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

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

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

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

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

Analysis of Appropriations in Aid

	2002–03 provision		2001–02 provision		2000–01 outturn		£000
	Operating AinA	Non- operating AinA	Operating AinA	Non- operating AinA	Operating AinA	Non- operating AinA	
RfR1: Building a safe, just and tolerant society							
Income from fees and charges	224,838	—	152,880	—			
Income from licences	1,094		1,094				
Contributions from Scotland & Northern Ireland Office	28,549	—	—	28,549			Figures
EU Receipts	224	—	224	—			not available
Superannuation transfer values	1,019		1,019				
Income from sale of land and buildings	—	2,158	—	2,118			
Income from other sales	10,085		21,290				
Receipts from Other Government Departments	6,190	—	18,409	—			
Total for RfR1:	271,999*	2,158**	223,465	2,118			

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

Repayment by the Forensic Science Service of principal on the deemed and long term loans, recoveries of VAT, recovery of salaries of staff on loan or seconded to outside bodies, receipts for repayment services, payments for

information and publications, receipts from the Treasury Solicitor's Department, receipts from European Union, contributions toward the grants made (at 13%) from the Scottish Office Home Department to Criminal Injuries Compensation Authority and Criminal Injuries Compensation Appeals Panel, fees for licence for production, supply, possession, import and export of controlled drugs, contributions by employees toward firefighters pensions, police services superannuation 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. Payments from the Department for Education and Skills to the Youth Justice Board for young offenders in custody.

Charges for provision of additional (or special) immigration services, private telephone calls, vending machines, receipts in connection with the Channel Tunnel, receipts from carrying companies for any expenses incurred in respect of certain persons detained or liable to be detained under Immigration Act 1971 and Immigration and Nationality Act 1999, fees under the British Nationality Acts 1948 and 1981, fees for Certificates of Entitlement for Right of Abode, fees for passports in respect of services to individual applicants, receipts from telex, telephone, postal and bank charge recoveries, recoveries related to passport search fees, fees payable to the Criminal Records Bureau under part V of the Police Act 1997, receipts under the Misuse of Drugs Act 1971, fees payable to the Commissioner for the Registration of Immigration Advisers, tax rebates, European Fast Stream receipts from the Cabinet Office, subsidies under the Welfare to Work programme, receipts of confiscated assets. Contributions towards grant programmes. Payments from the Cabinet Office and the Department for Education and Skills for Machinery of Government Changes.

** Amount that may be applied as non-operating appropriations in aid arising from the recovery of income from the sale of land, buildings, plant, equipment, vehicles and other capital assets

	2002-03		2001-02		2000-01		£000
	provision		provision		outturn		
	Operating	Non-	Operating	Non-	Operating	Non-	
	AinA	operating	AinA	operating	AinA	operating	
		AinA		AinA		AinA	
RfR2: Protecting the public by holding prisoners in decent conditions and reducing re-offending after release							
Income from sales of land, buildings and other assets	3,500	25,925	3,500	16,645	Figures		
Income from other sales	12,577	--	12,000	--	not available		
Recovery of costs and other income	189,345		192,312				
Total for RfR2:	205,422*	25,925**	207,812	16,645			

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

** Amount that may be applied as non-operating appropriations in aid arising from the recovery of income from the sale of land, buildings, plant, equipment, vehicles and other capital assets.

Analysis of Consolidated Fund Extra Receipts

	2002-03		2001-02		2000-01		£000
	provision		provision		outturn		
	Income	Receipts	Income	Receipts	Income	Receipts	
Passport Fee Receipts	27,687	27,687	17,382	34,958	breakdown		
Carriers liability receipts	9,894	9,824	12,000	4,087	not available		
License fee receipts	2,569	--	1,040	--			
Interest on Loan	1,254	--	2,614	--			
Total CFERs	41,204	37,511	33,036	39,045	22,019	22,424	

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:

Subhead	Service	£000
A3	Grant to the Independent Custody Visiting Association ■	250
A3	Grant to the association for Bereavement Counselling of Road Accident Victims ■	28
A3	Grant to the Council for the Registration of Forensic Practitioners ■	300
A3	Police Superintendants Association ■	380
A3	Police Federation ■	135
A3	National Black Police Association (NBPA) ■	80
A3	Association of Chief Police Officers (ACPO) ■	470
A3	British Association of Women Police (BAWP) ■	35
A3	Police Negotiating Board (PNB)—Independent Secretariat ■	52
A3	Police Negotiating Board —Official Side Secretariat ■	242
A3	Police Negotiating Board—Staff side ■	126
A3	Grants to Security Industry Council ■	35
C3	Funding for financial investigators to increase receipts from the proceeds of crime	2,600
D3	Grants to the National Office of Victim Support ■	1,293
D3	Local victim's support schemes ■	14,432
D3	Grants to voluntary organisations in support of experimental projects aimed at diverting the mentally disturbed from the criminal justice system ■	154
G3 & AD2	Experience Corps ■	7,200
G3 & AD2	Grants to certain national organisations working in the voluntary sector to promote voluntary activity or community development and to support innovative projects etc ■	44,905
G3	National Council for Voluntary Organisations ■	831
G3	Grants to Women's Royal Voluntary Services ■	4,548
G3	Grants to the National Family and Parenting Institute ■	668
G3	Family Grants programme ■	5,603
G3	Philip Lawrence Awards Scheme ■	100
G3	Grants to voluntary organisations and other bodies for the reception and settlement of refugees, and to assist organisations or projects working to reduce racial disadvantage, racism etc. ■	6,375
H3	Grant to Bosnia and Herzegovina State Border Service for detector dogs ■	36
I2	Development costs of projects in the areas of crime reduction and the Criminal Justice System ■	8,505
M3	Special grants for policing costs ■	72,752

Cash which may be retained to offset expenditure

2002–03	£000
498,551	

Grants in Aid above £1 million

RH1	£'000
Criminal Injuries Compensation	183,264
Criminal Cases Review Commission ♥	5,286
Youth Justice Board ♥	215,665
Police Complaints Authority ♥	3,570
Police Information Technology Organisation ♥	33,838
National Crime Squad	6,338
National Criminal Intelligence Service	3,674
Probation Service grant to local area boards	515,379

Departmental Expenditure Limits and Administration Costs Limits

Administration Costs Limits	£000		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	2,758,710	- 68,292	2,690,418
Net administration costs limits	121,309	- 130,109	- 8,800

Memorandum item: reconciliation with net admin costs

<i>Add to above</i>			
Net admin costs in non-cash AME			513,345
Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB)			—
Other income not netted off gross administration cost limits			- 193,111
<i>gives:</i>			
Total net admin costs			3,001,852
<i>of which:</i>			
Voted in OCS			2,990,392
Non-voted administration departmental unallocated provision			11,460

Departmental Expenditure Limits	£000		
	Voted	Non-Voted	Total
Resource DEL	8,040,505	1,345,278	9,385,783
Capital DEL	777,594	177,395	954,989
Total DEL	8,818,099	1,522,673	10,340,772

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Charity Commission

Introduction

1. This Estimate provides for both the resource and capital costs of the Charity Commission for England and Wales. The Commission is the statutory body that regulates charities. Its aim is to give the public confidence in the integrity of charity. The Commission seeks to ensure that charities operate within a framework which enables them to work effectively for the purposes for which they were set up. It collects information about all registered charities and keeps this on a computerised public register of charities. The Commission provides guidance and advice to charities to help them operate more efficiently and effectively, and monitors their activities through their accounts and annual reports. It also helps charities to modernise and change to meet new demands and remain up to date, and it seeks to identify and investigate any dishonesty or deliberate fraud that may endanger charitable assets.
2. The work of the Commission is governed by statute. The Commissioners are appointed by the Home Secretary, but their role is independent, although their decisions can be challenged in the High Court. Further information on expenditure can be found in tables 1 to 3 of the Charity Commission Departmental Report 2002.
3. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfRI: Giving the public confidence in the integrity of charity	25,785,000
Total net resource requirement	25,785,000
Net cash requirement	26,244,000

Amounts required in the year ending 31 March 2003 for expenditure by the Charity Commission on:

RfRI: 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

	Net Total	Allocated in Vote on Account	Balance to Complete
	£	£	£
RfRI	25,785,000	9,779,000	16,006,000
Net cash requirement	26,244,000	10,003,000	16,241,000

Part II subhead detail

							2002-03	£'000	
Resources						Capital	2001-02 Provision	2000-01 Outturn	
1	2	3	4	5	6	7	8	9	10
Admin	Other income	Grants	Gross Total	Admin	Net Total	Capital	Non- operating Ain's	Net Total Resources	Net Total Resources
RFR1: Giving the public confidence in the integrity of charity A in A									
25,805	—	—	25,805	20	25,785	1,359	—	23,063	21,281
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DBL)									
<i>Central Government spending</i>									
<i>*A Administration</i>									
25,025	—	—	25,025	20	25,005	1,359	—	22,163	20,749
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Non-Cash Items</i>									
B Administration									
780	—	—	780	—	780	—	—	800	532
Total	25,805	—	25,805	20	25,785	1,359	—	23,063	21,281

Part II: Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn	£'000
Net Total Resources	25,785	23,063	21,281	21,281
Voted Capital Items				
Capital	1,359	1,329	694	
Less Non-operating A-in-A	—	—	—	
	1,359	1,329	694	694
Accruals to cash adjustment				
Cost of capital charges	-120	-93	-106	
Depreciation	-500	-647	-323	
New provisions and adjustments to previous provisions	-160	-160	-103	
Other non-cash items	-120	-32	-84	
Increase (+)/Decrease (-) in stock	—	—	—	
Increase (+)/Decrease (-) in debtors	-50	-50	279	
Increase (-)/Decrease (+) in creditors	-50	150	40	
Use of provisions	100	—	242	
Total accruals to cash adjustments	-900	-832	-55	-55
Excess cash to be CFERd	—	—	—	—
Net Cash Requirement	26,244	23,560	21,920	21,920

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	—	—	—	—	185	<i>185</i>
Non-operating income not classified as A in A	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	—	—	—	—	185	185

Forecast Operating Cost Statement

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net administration costs			
Request for Resources 1	25,785	23,063	21,281
Net programme costs			
Request for Resources 1	—	—	—185
NET OPERATING COST	25,785	23,063	21,096
NET RESOURCE OUTTURN	25,785	23,063	21,281
CFERs	—	—	—185
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN⁽¹⁾	25,785	23,063	21,096

Notes to the Main Estimates

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	25,785	23,063	21,281
<i>Adjustments for:</i>			
Net Operating Costs (Accounts)	25,785	23,063	21,096
Resource Budget Outturn (Budget)	25,785	23,063	21,096
<i>of which:</i>			
Department Expenditure Limit (DEL)	25,105	22,163	20,806
Annually Managed Expenditure (AME)	680	900	290

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	1,359	1,329	694
Capital Budget Outturn	1,359	1,329	694
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	1,359	1,329	694
Annually Managed Expenditure (AME)	—	—	—

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Chief Commissioner of the Charity Commission, Mr. John Stoker, as Accounting Officer of the Commission with responsibility for preparing the Commission's Estimate.

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

Analysis of Appropriations-in-Aid

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating A-in-A	Non- operating A-in-A	Operating A-in-A	Non- operating A-in-A	Operating A-in-A	Non- operating A-in-A
RFR1: Giving the public confidence in the integrity of charity						
Sales of copies of document, etc.	20	—	20	—	23	—
Total	20*	—	20	—	23	—

*Amounts that may be applied as appropriations-in-aid in addition to the net total, arising from sales of copies of documents etc.

Analysis of Consolidated fund extra receipts

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Income from fees not classified as A-in-A	—	—	—	—	185	185
Total	—	—	—	—	185	185

DEL and Administration Costs Limits**2002-03 Administration Costs Limits**

£000s

	Gross provision	Income	Total administration costs limit
Gross administration costs limits	25,125	---	25,125
Net administration costs limits	—	---	—

Memorandum item: reconciliation with net admin costs*Add to above*

Net admin costs in non-cash AME 680

Admin costs treated as resource in Estimates but as capital in Budgets (under Stage I of RAB) —

Other income not netted off gross administration cost limits -20

*gives:***Total net admin costs 25,785***of which:*

Voted in OCS 25,785

Non-voted administration departmental unallocated provision —

2002-03 Departmental Expenditure Limits

	Voted	Non-Voted	£000s Total
Resource DEL	25,005	100	25,105
Capital DEL	1,359	—	1,359
Total DEL	26,364	100	26,464

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL under stage I of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Cash which may be retained to offset expenditure

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

	2002-03 provision	2001-02 provision	£000s 2000-01 outturn
	20	20	23

Lord Chancellor's Department

Introduction

1. The Estimate covers the cost of the Lord Chancellor's Department HQ and five associated offices (the Council on Tribunals, Law Commission, Legal Services Ombudsman, Official Solicitor and Public Trustee, and the Office of the Judge Advocate General), grant-in-aid paid in support of marriage guidance, conciliation and reconciliation, and payments to the General Commissioners of Income Tax in Great Britain and Northern Ireland.
2. It covers the cost of the Court Service, including fees and salaries paid to some judicial officers and the court building programme. The agency provides administrative support to the Court of Appeal, the High Court, the Crown Court and the county courts of England and Wales and the tribunals for which the Lord Chancellor is responsible (the Banking and Building Societies Appeal Tribunal, Immigration Appellate Authorities, Lands Tribunal, Pension Appeal Tribunal, the Office of Social Security Commissioners, the Special Commissioners of Income Tax, the Value Added Tax Tribunal and the Financial Services and Markets Tribunal). Expenditure on the civil courts is largely offset by fees which are shown as appropriations in aid.
3. It covers the administration of private monies through the Public Guardianship Office. The full cost of the Public Guardianship Office including the cost of services provided by LCD HQ, is largely offset by fees and costs recovered.
4. It covers grants to the Criminal Defence Service and Community Legal Service, including the administrative grant-in-aid to the Legal Services Commission. The Commission administers civil legal aid, means assessment, advice and assistance schemes and pays criminal legal aid bills in the magistrates' courts. Expenditure on criminal legal aid in the higher courts is met directly by the Lord Chancellor's Department.
5. It covers the grant-in-aid paid to the Children and Family Court Advisory and Support Service for safeguarding and promoting the welfare of the children, giving advice to any court about any application made to it, making provision for the children to be represented and providing information, advice and other support for the children and their families.
6. It covers the grant-in-aid paid to the Office of the Information Commissioner for promoting good information handling and the development of codes of practice, assessing compliance with the Data Protection Act 1998 and the Freedom of Information Act 2000.
7. It covers provision for the cost of acquitted defendants, private prosecution costs and witnesses' allowances payable from central funds and specific grants towards the costs of magistrates' courts, which are largely paid in advance of final audited claims.
8. Further details of the expenditure contained in Section A to N can be found in the Departmental Report (Cm 5369).
9. The salaries of the higher judiciary and stipendiary magistrates are met direct from the Consolidated Fund. This expenditure is estimated at £93 million for 2002-03.
10. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: To promote the development of a modern, fair, cost effective and efficient system of justice for all.	2,670,071,000
Total net resource requirement	2,670,071,000
Net cash requirement	2,519,462,000

Amounts required in the year ended 31 March 2003 for expenditure by the Lord Chancellor's Department on:

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

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

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

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	2,670,071,000	1,189,566,000	1,480,505,000
Net cash requirement	2,519,462,000	1,146,413,000	1,373,049,000

Part II: Subhead detail

										£'000
Resources							Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10	
Admin	Other current	Grants	Grants Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources	
RIR 01: Promoting the development of a modern fair cost efficient system of justice for all										
	698,466	729,384	1,652,376	3,080,226	410,155	2,670,071	15,428	—	2,780,918	2,507,409
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Capital Government spending</i>										
*A Headquarters and Associated Offices										
	103,136	20,969	2,078	126,183	9,081	117,102	446	—	145,551	108,363
*B Court Service										
	540,542	16,881	—	676,393	339,494	336,899	14,126	—	339,859	257,960
*C Public Guardianship Office										
	14,176	9,746	—	23,922	16,023	7,899	865	—	10,140	—
*D Criminal Defence Service										
	—	486,824	435,200	922,024	1,700	920,318	—	—	900,318	—
*E Community Legal Service										
	—	—	711,828	711,828	—	711,828	—	—	702,885	786,446
*F Costs from Central Funds										
	—	—	44,555	44,555	—	44,555	—	—	44,555	35,943
*G Invest to Save Budget										
	1,439	—	—	1,439	—	1,439	—	—	98	1,923
Public Trust Office										
	—	—	—	—	—	—	—	—	—	4,896
Legal Aid Criminal										
	—	—	—	—	—	—	—	—	—	850,535
<i>Spending for Local Authorities</i>										
H Magistrates Courts Grants										
	—	—	236,964	266,984	43,851	243,113	—	—	301,764	268,252
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash Grant</i>										
I Headquarters and Associated Offices										
	39,750	—	—	39,750	—	39,750	—	—	26,408	63,887
J Court Service										
	27,595	—	—	27,595	—	27,595	—	—	27,600	10,091
K Public Guardianship Office										
	3,207	—	—	3,207	—	3,207	—	—	2,634	—
Public Trust Office										
	—	—	—	—	—	—	—	—	—	659
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
C Magistrates Courts Grants on Loan Charges										
	—	—	16,500	16,500	—	16,500	—	—	16,500	16,534
M Legal Services Commission Administration										
	—	—	70,250	70,250	—	70,250	—	—	70,258	72,112
N Children and Family Courts Advisory and Support Service (CAFCASS)										
	—	—	70,496	70,496	—	70,496	—	—	80,978	—
O Office of the Information Commissioner (OIC)										
	—	—	14,126	14,126	—	14,126	—	—	9,278	1
P Magistrates Courts Grants										
	—	—	44,834	44,834	—	44,834	—	—	34,302	16,826
Total	698,466	729,384	1,652,376	3,080,226	410,155	2,670,071	15,428	—	2,780,918	2,507,409

Resource to Cash reconciliation

	£'000		
	2002-03	2001-02	2000-01
Net Total Resources	2,670,071	2,780,918	2,507,409
Voted Capital Items			
Capital	15,428	30,349	36,389
Less Non-operating A in A	—	255	13,206
	15,428	30,094	23,183
Accruals to cash adjustment			
Cost of capital charges	- 56,299	59,580	- 59,845
Depreciation	- 45,522	- 42,331	- 33,592
New provisions and adjustments	- 69,417	- 50,920	- 87,913
Other non-cash items	—	- 23	- 25
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	4,584	- 2,486	16,865
Increase (-)/Decrease (+) in creditors	617	6,473	24,138
Use of provisions	—	—	—
Total accruals to cash adjustments	- 166,037	- 148,867	- 140,372
Excess cash to be CFERd	—	—	—
Net Cash Requirement	2,519,462	2,662,145	2,390,220

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	—	—	—	—	2,703	—
Non-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	198,218	<i>198,218</i>	237,353	<i>237,353</i>	250,000	<i>250,000</i>
Excess cash receipts to be surrendered to the Consolidated Fund		—		—		—
	198,218	<i>198,218</i>	237,353	<i>237,353</i>	252,703	<i>250,000</i>

Forecast Operating Cost Statement

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net administration costs			
Request for Resources 1	691,185	696,853	654,537
Net programme costs			
Request for Resources 1	1,978,886	2,084,065	1,850,169
Net non-voted programme costs	92,822	88,859	91,346
Total net programme costs	2,071,708	2,172,924	1,941,515
NET OPERATING COST	2,762,893	2,869,777	2,596,052
<i>of which:</i>			
NET RESOURCE OUTTURN	2,670,071	2,780,918	2,507,409
CFERs	—	—	- 2,703
Non-voted expenditure	92,822	88,859	91,346
RESOURCE BUDGET OUTTURN ⁽¹⁾	2,701,295	2,807,204	2,555,112

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn

Notes to the Estimates

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	2,670,071	2,780,918	2,507,409
<i>Adjustments for:</i>			
Non-voted expenditure in the OCS	92,822	88,859	91,346
Consolidated Fund Extra Receipts in the OCS	—	—	-2,703
Net Operating Costs (Accounts)	2,762,893	2,869,777	2,596,052
<i>Adjustments for:</i>			
Capital grants to the private sector and local authorities	-44,834	-34,302	-16,826
Voted expenditure outside the budget	-16,500	-16,500	-16,534
Unallocated resource provision	—	—	4,310
Resource Budget Outturn (Budget)	2,701,295	2,807,204	2,555,112
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	2,629,794	2,751,512	2,479,515
Annually Managed Expenditure (AME)	71,501	55,692	75,597

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	15,428	30,094	28,148
Full capital expenditure by non-departmental public bodies	554	10,661	785
Capital grants to the private sector, LAs and PCs	44,834	34,302	16,826
Local authority credit approvals	10,802	7,800	5,738
Capital Budget Outturn	65,318	82,857	46,497
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	65,318	82,857	46,497

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

	2002-03		2001-02		2000-01		£000
	provision		provision		outturn		
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
RfR1: To promote the development of a modern, fair, cost effective and efficient system of justice for all.							
Administrative income	7,281	—	10,396	—	9,043	—	
Other Current income	359,023	—	352,978	—	365,631	—	
Sale of fixed assets	—	—	—	255	—	13,206	
Total	366,304*	—**	363,374*	255**	374,674*	13,206**	

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

**Amount that may be applied as non operating appropriations in aid arising from the sale of land and buildings.

Analysis of Consolidated Fund Extra Receipts

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Magistrates Courts	198,218	198,218	237,353	237,353	250,000	250,000
Headquarters	—	—	—	—	—	—
Court Service	—	—	—	—	998	998
Public Trust Office	—	—	—	—	1,705	1,705
Total	198,218	198,218	237,353	237,353	252,703	252,703

2002-03 Administration Costs Limits	£000		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	627,854	- 7,281	620,573
Net administration costs limits			

Memorandum item: reconciliation with net admin costs*Add to above*

Net admin costs in non-cash AME	70,612
Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB)	—
Other income not netted off gross administration cost limits	—
<i>gives:</i>	
Total net admin costs	691,185
<i>of which:</i>	
Voted in OCS	691,185
Non-voted administration departmental unallocated provision	—

2002-03 Departmental Expenditure Limits

	Voted	Non-Voted	£000 Total
Resource DEL	2,383,153	246,641	2,629,794
Capital DEL	60,262	11,356	71,618
Total DEL	2,443,415	257,997	2,701,412

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision and forecast outturn

	2001 02 Final provision £000	2001 02 Forecast outturn £000	2002-03 Provision sought £000	% Higher/ Lower than final net	% Higher/ Lower than forecast
Gross resources	3,144,295	3,144,295	3,080,226	- 2.0	- 2.0
Less Operating appropriations in aid	372,013	372,013	410,155	10	10
Net resource requirement	2,772,282	2,772,282	2,670,071	- 3.6	- 3.6
Capital	30,349	30,349	15,428	- 49	- 49
Less Non Operating appropriations in aid	255	255	—	—	—
Accruals to cash adjustments	- 150,843	- 150,843	- 166,037	- 10	- 10
Net cash requirement	2,651,533	2,651,533	2,519,462	- 5	- 5

Grants in aid	£000
Payable to the RCJ Citizen Advice Bureau	104,551
Payable to the Magistrates Association	139,000
Contribution to the National Family & Parenting Institute (jointly funded)	62,000
Funding to Reunite (international child abduction) (jointly funded)	1,000
To Newcastle University—research into provision of information meetings	80

Northern Ireland Court Service

Introduction

1. This Estimate provides for the cost of administering the courts in Northern Ireland, including salaries of staff, construction and maintenance of courthouses, provision of office accommodation and general administrative expenditure. Provision is also made for the cost of jurors and for shorthand writers and stenographers in the higher courts.
2. The Estimate also provides for the administrative costs of the Pensions Appeals Tribunals, Office of the Social Security Commissioners, the Office of the Commissioner for Judicial Appointments in Northern Ireland, the Fixed Penalty Office and payments to the Civil Superannuation Estimate.
3. The Estimate covers grant paid to the Legal Aid Department in respect of civil and criminal legal aid and advice and assistance. Recoveries of costs and other monies on behalf of assisted persons are netted against the gross provision.
4. The Legal Aid Fund is administered by the Law Society of Northern Ireland which also acts as agent for the Northern Ireland Court Service in making payments in respect of criminal legal aid, being funded monthly on the basis of estimated expenditure. The civil fund is audited by auditors appointed by the Lord Chancellor. The Comptroller and Auditor General who also has the right to audit the fund, examines the annual statement of accounts and, after certification, lays a copy of it together with his report before Parliament.
5. Direct expenditure from the Consolidated Fund on the salaries and pensions of the Judiciary in Northern Ireland is estimated at £5,166,000 in 2002–03.
6. Symbols are explained in the Introduction to this booklet.

Part I	£
RfR1: Supporting the effective and efficient administration of justice in Northern Ireland	52,546,000
RfR2: Enabling the Legal Aid Department of the Law Society of Northern Ireland to provide timely, accurate and cost effective legal aid administration and expenditure control	42,888,000
Total net resource requirement	95,434,000
Net Cash Requirement	88,034,000

Amounts required in the year ending 31 March 2003 for expenditure by the Northern Ireland Court Service on:

RfR1: Supporting the effective and efficient administration of justice in Northern Ireland: operation of the courts; policy and legislation; accommodation services; grants to sundry bodies; and associated non-cash items.

RfR2: Enabling the Legal Aid Department of the Law Society of Northern Ireland to provide timely, accurate and cost effective legal aid administration and expenditure control: grant to the Legal Aid Department; and grant-in-aid to the Legal Aid Department.

The Northern Ireland Court Service will account for this Estimate.

	Net Total	Allocated in Vote	Balance to
	£	on Account	Complete
	£	£	£
RfR1	52,546,000	20,225,000	32,321,000
RfR2	42,888,000	19,300,000	23,588,000
Total net resource requirement	95,434,000	39,525,000	55,909,000
Net Cash Requirement	88,034,000	37,275,000	50,759,000

Part II: Subhead detail

Resources						Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RFR1: Supporting the effective and efficient administration of justice in Northern Ireland									
55,700	7,763	25	63,488	10,942	52,546	6,000	—	37,699	29,237
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government spending</i>									
★A Court and other legal services									
42,100	7,763	25	50,088	10,942	39,146	6,000	—	25,109	18,466
SPENDING IN ANNUALLY-MANAGED EXPENDITURE									
<i>Non-Cash items</i>									
★B Court and other legal services									
13,400	—	—	13,400	—	13,400	—	—	12,590	10,771
RFR2: Enabling the Legal Aid Department of the Law Society of Northern Ireland to provide timely accurate and cost effective legal aid administration and expenditure control									
—	40,780	2,108	42,888	—	42,888	—	—	48,074	41,327
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government spending</i>									
★A Legal aid and other other services									
—	40,780	2,108	42,888	—	42,888	—	—	48,074	41,327
Total	55,700	48,343	66,376	10,942	95,434	6,000	—	85,683	70,564

Part II Resource to Cash reconciliation

	2002-03	2001-02	2000-01
	Provision	Provision	Outturn
Net Total Resources	95,434	85,683	70,564
Voted Capital Items			
Capital	6,000	12,561	2,569
Less Non-operating A-in-A	—	—	—
	6,000	12,561	2,569
Accruals to cash adjustment			
Cost of capital charges	-7,500	-7,300	-6,324
Depreciation	-5,900	-4,500	-3,869
New provisions and adjustments to previous provisions	—	700	-578
Other non-cash items	—	-101	-101
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	—	—	-2,426
Increase (-)/Decrease (+) in creditors	—	—	317
Use of provisions	—	—	—
Total accruals to cash adjustments	-13,400	-12,601	-12,981
Excess cash to be CFERd	—	—	—
Net Cash Requirement	88,034	85,643	60,152

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	Receipts	Income	Receipts	Income	Receipts
Operating income not classified as A in A	—	—	—	—	729	—
Net operating income not classified as A in A	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	5,500	<i>5,500</i>	5,500	<i>5,500</i>	5,741	<i>8,249</i>
Excess cash receipts to be surrendered to the Consolidated Fund		—		—		—
Total	5,500	<i>5,500</i>	5,500	<i>5,500</i>	6,470	<i>8,249</i>

Forecast Operating Cost Statement

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Administration Costs			
Request for Resources 1	44,758	33,121	22,699
Request for Resources 2			
Total Net Administration costs	44,758	33,121	22,699
Net Programme Costs			
Request for Resources 1	7,788	4,488	5,213
Request for Resources 2	42,888	48,074	41,490
Consolidated Fund Standing Service	5,166	5,540	4,791
Total Net Programme costs	55,842	58,102	51,494
TOTAL NET OPERATING COST	100,600	91,223	74,193
of which:			
NET RESOURCE OUTTURN	95,434	85,683	70,479
CFERs	—	—	-1,347
Non-voted expenditure	5,166	5,540	4,791
RESOURCE BUDGET OUTTURN	100,600	91,223	75,540

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	95,434	85,683	70,749
<i>Adjustments for:</i>			
Non-voted expenditure in the OCS	5,166	5,540	4,791
Consolidated Fund Extra Receipts in the OCS	—	—	- 1,347
Net Operating Costs (Accounts)	100,600	91,223	74,193
Resource Budget Outturn (Budget)	100,600	91,223	75,540
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	87,200	78,723	64,707
Annually Managed Expenditure (AME)	13,400	12,500	10,833

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	6,000	12,561	2,569
Capital Budget Outturn	6,000	12,561	2,569
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	6,000	12,561	2,569

Explanation of Accounting Officer's Responsibilities

The Treasury has appointed the Director of the Northern Ireland Court Service as Principal Accounting Officer for the Department with overall responsibility for preparing the Department's Estimate.

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

The allocation of Accounting Officer responsibilities in the Northern Ireland Court Service is as follows—

Request for Resources 1:	Mr David A. Lavery, Principal Accounting Officer and Director of Department
Request for Resources 2:	Mr Allan Johnston, Additional Accounting Officer and Chief Executive of the Legal Aid Department of the Law Society of Northern Ireland

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

Analysis of Appropriations in Aid

	2002–03		2001–02		2000–01		£000
	provision		provision		outturn		
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
RfR1: Supporting the effective and efficient administration of justice in Northern Ireland							
Income from fees	10,642	—	12,142	—	13,911	—	
Disposal of land							
Miscellaneous income	300	—	300	—	193	—	
Total	10,942*	—	12,442	—	14,104	—	

* Amount that may be applied as appropriations in aid to the net total arising from court fees paid by litigants in civil proceedings, administration fees paid in respect of funds in court, recoveries from the National Insurance Fund for the costs of the Office of the Social Security Commissioners, VAT refunds on contracted out services and other fees and receipts received.

Analysis of Consolidated Fund Extra Receipts

	£000					
	2002–03 provision		2001–02 provision		2000–01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Fines	5,150	5,150	5,150	5,150	5,741	5,741
Interest on banking account	100	100	100	100	51	51
Miscellaneous	250	250	250	250	128	128
Surplus A in A				—	550	2,329
Total	5,500	5,500	5,500	5,500	6,470	8,249

The Estimate provides for grant-in-aid provision for the Law Society of Northern Ireland ♦ (£2,888,000) and grant-in-aid for Queens University ♦ (£25,000).

The Northern Ireland Court Service is committed to the Business in the Community Initiative. As part of this commitment a gift of £2,000 is to be made for the purchase of reading materials for schools participating in the Time to Read programme.

The total net resource sought for 2002–03 is 2.2% higher than the final net resource sought for 2001–02 of £91,183,000 and 2.2% higher than the forecast outturn for that year of £91,183,000.

There have been no significant changes in accounting policies since the last Main Estimate.

Administration Costs Limits

	£000		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	42,300	— 300	42,000
Net administration costs limits	—	—	—

Departmental Expenditure Limits

	£000		
	Voted	Non-Voted	Total
Resource DEL	82,034	5,166	87,200
Capital DEL	6,000		6,000
Total DEL	88,034	5,166	93,200

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Cash which may be retained to offset expenditure

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

	£000		
	2002–03 provision	2001–02 provision	2000–01 provision
	10,942	12,442	14,104

Public Record Office

Introduction

1. This covers the cost of the administration of the public records system of the United Kingdom under the Public Records Acts of 1958 and 1967.
2. Symbols are explained in the Introduction to this booklet.

Part 1

	£
RfR1: Assisting and promoting the study of the past in order to inform the present and the future	35,496,000
Total net resource requirement	35,496,000
Net cash requirement	27,148,000

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

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

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

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

	Net Total £	Allocation in Vote on Account £	Balance to Complete £
RfR1	35,496,000	13,574,000	21,922,000
Total net resource requirement	35,496,000	13,574,000	21,922,000
Net cash requirement	27,148,000	9,284,000	17,864,000

Part II: Subhead detail

Resources							Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10	
Admin	Other current	Grants	Excess Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources	
RFR1: Assisting and promoting the study of the past in order to reform the present and the future										
	37,096	—	37,096	1,600	35,496	3,300	—	35,715	28,789	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A Public Record Office										
	33,226	—	33,226	1,600	31,626	3,300	—	32,345	27,062	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
B Public Record Office										
	3,860	—	3,860	—	3,860	—	—	3,360	1,714	
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
C Public Record Office										
	10	—	10	—	10	—	—	10	15	
Total	37,096	—	37,096	1,600	35,496	3,300	—	35,715	28,789	

Part II Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn	£000
Net Total Resources	35,496	35,715	28,789	
Voted Capital Items				
Capital	3,300	1,384	1,210	
Less Non-operating A-in-A	—	—	—	
	3,300	1,384	1,210	
Accruals to cash adjustment				
Cost of capital charges	-6,890	-6,790	-5,930	
Depreciation	-4,758	-4,358	-2,809	
New provisions and adjustments to previous provisions	—	—	—	
Other non-cash items	—	—	-46	
Increase (+)/Decrease (-) in stock	—	—	37	
Increase (+)/Decrease (-) in debtors	—	-220	-22	
Increase (-)/Decrease (+) in creditors	—	—	-125	
Use of provisions	—	—	—	
Total accruals to cash adjustments	-11,648	-11,368	-8,895	
Excess cash to be CFERd	—	—	—	
Net Cash Requirement	27,148	25,731	21,104	

Part III: Extra Receipts payable to the Consolidated Fund

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

£000

	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	—	—	—	—	233	—
Net-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	—	—	—	—	233	—

Forecast Operating Cost Statement

£000

	2002-03 provision	2001-02 provision	2000-01 outturn
Net administration costs			
Request for Resources 1	35,496	35,715	28,789
Net programme costs			
Request for Resources 1	—	—	—233
NET OPERATING COST	35,496	35,715	28,556
<i>of which:</i>			
NET RESOURCE OUTTURN	35,496	35,715	28,789
CFERs	—	—	—283
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN	35,486	35,705	28,543

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	35,496	35,715	28,789
Net Operating Costs (Accounts)	35,496	35,715	28,556
<i>Adjustments for:</i>			
Gains/losses from sale of capital assets	-10	-10	-13
Resource Budget Outturn (Budget)	35,486	35,705	28,543
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	31,626	32,345	26,809
Annually Managed Expenditure (AME)	3,860	3,360	1,734

Reconciliation of capital expenditure between Estimates and Budgets

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	3,300	1,384	1,210
Gains/losses from sale of capital assets	10	10	13
Capital Budget Outturn	3,310	1,394	1,223
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	3,310	1,394	1,223

Explanation of Accounting Officer responsibilities

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

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

Analysis of Appropriations in Aid

	£000					
	2002–03 provision		2001–02 provision		2000–01 outturn	
	AinA	Non-operating AinA	AinA	Non-operating AinA	AinA	Non-operating AinA
RfR1						
Sale of documents, publications, etc; fees; sale of fixed assets, etc	1,600		11,100		2,670	10
Total	1,600*	—	11,100	—	2,670	10

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

Analysis of Consolidated Fund Extra Receipts

	£000					
	2002–03 provision		2001–02 provision		2000–01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
RfR1: Assisting and promoting the study of the past in order to inform the present and the future	—	—	—	—	233	233
Total	—	—	—	—	233	233

Administration Costs Limits	£000		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	33,226	—	33,226
Net administration costs limits	—	—	—
Departmental Expenditure Limits	£000		
	Voted	Non-Voted	Total
Resource DEL	31,626	—	31,626
Capital DEL	3,310	—	3,310
Total DEL	34,936	—	34,936

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Cash which may be retained to offset expenditure

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

	2002-03 provision	2001-02 provision	£'000 2000-01 outturn
	1,600	11,100	2,680

The Crown Prosecution Service

Introduction

1. This Estimate covers the resource and cash requirement of the Crown Prosecution Service.
2. It covers the Administrative costs, capital costs and operational costs incurred by the Crown Prosecution Service in England and Wales.
3. Further details of the expenditure are contained in the Law Officers Departmental Report 2002 (Cm 5409).
4. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	397,598,000
Total net resource requirement	397,598,000
Net cash requirement	392,942,000

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

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

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

The Crown Prosecution Service will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1			
Total net resource requirement	397,598,000	168,599,000	228,999,000
Net cash requirement	392,942,000	171,343,000	221,599,000

Part II: Subhead detail

£000

Resources						Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RfR1: Increasing public confidence in the criminal justice system through fair and effective prosecutions									
293,713	134,835	—	428,548	30,950	397,598	10,300	—	407,635	347,800
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government financing</i>									
*A Administrative Costs									
278,535	—	—	278,535	1,650	276,885	10,300	—	298,019	251,993
*B Crown Prosecution Services and Legal Services									
—	134,000	—	134,000	29,300	104,700	—	—	93,500	88,645
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Non-Cash Items</i>									
C Administrative Costs									
15,178	—	—	15,178	—	15,178	—	—	15,281	6,677
D Crown Prosecution Services and Legal Services									
—	835	—	835	—	835	—	—	835	485
Total	293,713	134,835	428,548	30,950	397,598	10,300	—	407,635	347,800

Part II Resource to Cash reconciliation

£000

	2002-03	2001-02	2000-01
	Provision	Provision	Outturn
Net Total Resources	397,598	407,635	347,800
Voted Capital Items			
Capital	10,300	21,019	12,984
Less Non-operating A-in-A	—	—	—
	10,300	21,019	12,984
Accruals to cash adjustment			
Cost of capital charges	-4,352	-4,054	-2,153
Depreciation	-11,911	-10,786	-4,954
New provisions and adjustments to previous provisions	—	1,526	372
Other non-cash items	-86	-83	-80
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	—	—	—
Increase (-)/Decrease (+) in creditors	-500	-500	—
Use of provisions	1,893	1,056	-1,359
Total accruals to cash adjustments	14,956	15,893	-6,200
Excess cash to be CFERd	—	—	—
Net Cash Requirement	392,942	412,761	354,584

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002–03		2001–02		2000–01	
	Income	Receipts	Income	Receipts	Income	Receipts
Operating income not classified as AinA	—	—	500	—	8,561	982
Net-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	—	—	500	—	8,561	982

Forecast Operating Cost Statement

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net administration costs:			
Request for Resources 1	292,063	313,300	257,766
Net programme costs:			
Request for Resources 1	105,535	93,835	81,473
NET OPERATING COST	397,598	407,135	339,239
<i>of which:</i>			
NET RESOURCE OUTTURN	397,598	407,635	347,800
CFERs	—	– 500	– 8,561
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN⁽¹⁾	406,798	417,135	339,239

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn

Notes to the Estimates

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	397,598	407,635	347,800
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	—	– 500	– 8,561
Net Operating Costs (Accounts)	397,598	407,135	339,239
<i>Adjustments for:</i>			
Unallocated resource provision	9,200	10,000	—
Resource Budget Outturn (Budget)	406,798	417,135	339,239
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	392,678	402,075	333,436
Annually Managed Expenditure (AME)	14,120	15,060	5,803

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	10,300	21,019	12,984
Capital Budget Outturn	10,300	21,019	12,984
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	10,300	21,019	12,984

Explanation of Accounting Officer Responsibilities

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

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

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

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

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

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

Analysis of Appropriations in Aid

	2002–03		2001–02		2000–01		£000
	provision		provision		provision		
	AinA	Non-operating AinA	AinA	Non-operating AinA	AinA	Non-operating AinA	
RfR1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions							
Income from rent in jointly occupied buildings and contract car contributions	1,650	—	1,650	—	930	—	
Costs awarded to CPS in court	29,300	—	29,300	—	24,000	—	
Total RfR1	30,950*	—	30,950	—	24,930	—	

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

Analysis of Consolidated Fund Extra Receipts

	£000					
	2002–03 provision		2001–02 provision		2000–01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Rent receipts in excess of those authorised to be Appropriated in Aid	—	—	—	—	734	—
Costs awarded to CPS in court in excess of those authorised to be Appropriated in aid	—	—	500	—	7,657	—
Other Income not classified as AinA	—	—	—	—	170	982
	—	—	500	—	8,561	—

2002–03 Administration Costs Limits

	Gross provision	Income	Total administration costs limit
Gross administration costs limits	283,628	–1,569	282,059
Net administration costs limits	—	—	—

2002–03 Departmental Expenditure Limits

	Voted	Non-Voted	£000 Total
Resource DEL	381,585	11,093	392,678
Capital DEL	10,300	—	10,300
Total DEL	391,885	11,093	402,978

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparisons of provision sought with final provision and forecast outturn in previous year

The provision for 2002–03 is 2.5% lower than the final net provision for 2001–02 of 407,720,000 and 1.1% higher than the forecast outturn for 2001–02 of £393,200,000. A breakdown of the forecast outturn for 2001–02 is given in Table 5 of the Law Officers' Departmental Report (Cm 5409).

Cash which may be retained to offset expenditure

The Crown Prosecution Service may retain cash receipts of £25,650,000 to offset expenditure in 2002–03 which has been or will be appropriated in aid.

Serious Fraud Office

Introduction

1. This Estimate provides for the administration costs, capital costs and operational costs incurred by the Serious Fraud Office. Included are the costs for SFO staff, fees to counsel and outside accountants, witness expenses, use of information technology to improve the presentation of evidence, other investigation and prosecution costs and defendants' costs orders by the court to be paid by the SFO.
2. Further details of the expenditure of the SFO can be found in Chapter 2 of the Law Officers' Departments' Departmental Report 2002 (Cm 5409).
3. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	21,750,000
Total net resource requirement	21,750,000
Net cash requirement	22,350,000

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

RfR1: Reducing fraud and the cost of fraud and delivering justice and the rule of law

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

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

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	21,750,000	9,338,000	12,412,000
Total net resource requirement	21,750,000	9,338,000	12,412,000
Net cash requirement	22,350,000	9,608,000	12,742,000

Part II: Subhead detail

£'000

Resources	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6	7	8	Provision	Outturn
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating A-in-A	Net Total Resource	Net Total Resources
R/R1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	15,690	6,530		22,220	470	21,750	600	—	21,250	20,049
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Administration	15,390	—	—	15,390	—	15,390	600	—	14,690	12,459
*B Investigations and Prosecutions	—	6,380	—	6,380	470	5,910	—	—	5,910	7,401
*C Administration	300	150	—	450	—	450	—	—	450	189
Total	15,690	6,530		22,220	470	21,750	600	—	21,250	20,049

Part II: Resource to Cash reconciliation

£'000

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Total Resources	21,750	21,250	20,049
Voted Capital Items			
Capital	600	600	241
Less Non-operating A-in-A	—	—	—
	600	600	241
Accruals to cash adjustment			
Cost of capital charges	-100	-100	66
Depreciation	-250	-250	-115
New provisions and adjustments to previous provisions	-100	-100	-140
Other non-cash items	-50	-50	-47
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	250	250	-68
Increase (-)/Decrease (+) in creditors	200	200	-386
Use of provisions	50	50	60
Total accruals to cash adjustments	—	—	-630
Excess cash to be CFERd	—	—	—
Net Cash Requirement	22,350	21,850	19,660

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as Aina					441	
Non-operating income not classified as Aina	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	—	—	—	—	441	—

Forecast Operating Cost Statement

	£000		
	2002-03 Provision	2001-02 Provision	2000-01 Outturn
Net administration costs			
Request for Resources 1	15,690	15,190	12,017
Net programme costs			
Request for Resources 1	6,060	6,060	7,591
NET OPERATING COST	21,750	21,250	19,608
<i>of which:</i>			
NET RESOURCE OUTTURN	21,750	21,250	19,608
CFERs	—	—	- 441
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN ⁽¹⁾	21,750	21,250	19,608

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	21,750	21,250	20,049
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	—	—	– 441
Net Operating Costs (Accounts)	21,750	21,250	19,608
Resource Budget Outturn (Budget)	21,750	21,250	19,608
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	21,350	20,850	19,479
Annually Managed Expenditure (AME)	400	400	129

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	600	600	241
Capital Budget Outturn	600	600	241
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	600	600	241

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Director of the Serious Fraud Office, Mrs Rosalind Wright, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

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

Analysis of Appropriations in Aid

Detail	2002–03 provision		2001–02 provision		2000–01 outturn	
	AinA	Non-operating AinA	AinA	Non-operating AinA	AinA	Non-operating AinA
RFR1: Reducing fraud and the costs of fraud and delivering justice and the rule of law						
Income from costs awards	470	—	470	—	179	—
Total	470*	—	470	—	179	—

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

Comparison of net provision with final provision and forecast outturn for previous year

The provision sought for 2002-03 is 2.3% higher than the final net provision for 2001-02 of £21,850,000 and 2.3% higher than the forecast outturn for that year of £21,850,000. A breakdown of the forecast outturn for 2001-02 by individual function is given in table 2 of Cm 5409.

2002-03 Administration Costs Limits			£000
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	15,390	—	15,390
Net administration costs limits	—	—	—
2002-03 Departmental Expenditure Limits			£000
	Voted	Non-Voted	Total
Resource DEL	21,300	50	21,350
Capital DEL	600	—	600
Total DEL	21,900	50	21,950

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Cash which may be retained to offset expenditure

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

			£000
	2002-03 provision	2001-02 provision	2000-01 outturn
	470	470	179

HM Procurator General & Treasury Solicitor

Introduction

1. This Estimate provides for the administration costs of the Treasury Solicitor's Department Agency within DEL (Section A). The capital expenditure for the Treasury Solicitor's Department is covered in Section B. Section C covers the administration costs of the Legal Secretariat to the Law Officers including the salaries of two Ministers of the Crown. Section D covers the residual costs of the Government Property Lawyers Agency which closed in September 1999. Section E covers the operational costs of the Treasury Solicitor's Department Agency as explained in paragraph 3. Section F covers the costs of HM Crown Prosecution Service Inspectorate which became part of this Estimate on 1 April 2001. This Estimate also covers spending in AME for the Treasury Solicitor's Department and for the Legal Secretariat to the Law Officers on depreciation and capital charge (Sections G and H). Further details of the Department's administration costs are provided in of the 2002 Departmental Report of the Law Officer's Department (Cm 5409).
2. The Treasury Solicitor's Department, which became an Agency on 1 April 1996, has operated a system of full repayment for the majority of its legal services since 1990–91. The greater part of its administration costs are now met by receipts. Since 1999–2000, the Treasury Solicitor's Department Agency has operated under net administration costs control, to allow it the flexibility to respond to increasing demand for its services. A small section of the Agency's work, which is directly related to European matters or considered to be in the public interest, remains centrally funded.
3. The Estimate also covers the operational costs of the Treasury Solicitor's Department Agency (Section E). Operational costs arise on the provision of legal services to government departments. Except for those associated with centrally funded services, these costs are fully recovered from client departments as disbursements on legal cases. The principal areas of this expenditure are counsel fees, expert witnesses and solicitor agents. Further details of the Department's operational costs are provided in Cm 5409.
4. Symbols are explained in the Introduction to this booklet.

Part I:	£
RfR1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	14,543,000
Total net resource requirement	14,543,000
Net cash requirement	14,806,000

Amounts required in the year ending 31 March 2003 for expenditure by HM Procurator General and Treasury Solicitor, the Treasury Solicitor's Department Agency, the Government Property Lawyers Agency (now closed), the Legal Secretariat to the Law Officers and HM Crown Prosecution Service Inspectorate on:

RfR1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies.

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 **Solicitor to the Treasury** will account for this Estimate.

	Net Total	Allocated in Vote on Account	Balance to Complete
	£	£	£
RfR1	14,543,000	12,937,000	1,606,000
Total net resource requirement	14,543,000	12,937,000	1,606,000
Net cash requirement	14,806,000	10,819,000	3,987,000

Part II: Subhead detail

£'000

	Resources						Capital	2002–03 Provision	2001–02 Provision	2000–01 Outturn
	1	2	3	4	5	6				
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non- operating AinA	Net Total Resource	Net Total Resources
*B1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies										
	46,265	38,917	—	85,182	70,639	14,543	4,650	—	14,998	9,569
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A TSD Administration	37,903	—	—	37,903	54,756	3,147	—	—	4,153	3,347
*B TSD Other	—	—	—	—	—	—	4,620	—	—	—
*C LSLO Administration	3,182	—	—	3,182	—	3,182	30	—	2,665	2,381
*D GPL Administration	703	—	—	703	530	173	—	—	500	44
*E Operational Costs	—	38,000	—	38,000	35,303	2,697	—	—	2,695	2,543
*F CPSI Administration	3,687	—	—	3,687	—	3,687	—	—	3,335	—
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-cash items</i>										
G Treasury Solicitors	89	865	—	1,665	—	1,665	—	—	1,665	520
H LSLO	13	32	—	45	—	45	—	—	45	47
Total	46,265	38,917	—	85,182	70,639	14,543	4,650	—	14,998	9,569

Part II: Resource to Cash reconciliation

	2002–03 provision	2001–02 provision	2000–01 outturn
Net Total Resources	14,543	14,998	9,569
Voted Capital Items			
Capital	4,650	2,349	586
Less Non-operating AinA	—	—	—
	4,650	2,349	586
Accruals to cash adjustment			
Cost of capital charges	-2,890	-3,356	-2,302
Depreciation	917	917	504
New provisions and adjustments to previous provisions	—	—	—
Other non-cash items	-100	-100	866
Increase (+)/Decrease (-) in stock	-1,000	-5,000	6,748
Increase (+)/Decrease (-) in debtors	-500	500	-546
Increase (-)/Decrease (+) in creditors	1,020	5,020	6,612
Use of provisions	—	—	—
Total accruals to cash adjustments	-4,387	-3,853	-2,622
Excess cash to be CFERd	—	—	—
Net Cash Requirement	14,806	13,494	7,533

Part III: Extra Receipts payable to the Consolidated Fund

No income or receipts are expected in 2002-03. None were received in 2001-02 or 2000-01.

Forecast Operating Cost Statement

	2002-03 provision	2001-02 provision	2000-01 outturn
Net administration costs			£000
Request for Resources 1	10,929	11,383	6,505
Net programme costs			
Request for Resources 1	3,614	3,615	3,064
NET OPERATING COST	14,543	14,998	9,569
<i>of which:</i>			
NET RESOURCE OUTTURN	14,543	14,998	9,569
CFERs	—	—	—
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN	14,543	14,998	9,569

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	14,543	14,998	9,569
Net Operating Costs (Accounts)	14,543	14,998	9,569
Resource Budget Outturn (Budget)	14,543	14,998	9,569
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	12,836	13,291	8,802
Annually Managed Expenditure (AME)	1,707	1,707	767

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	4,650	2,349	586
Capital Budget Outturn	4,650	2,349	586
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	4,650	2,349	586

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of the HM Procurator General and Treasury Solicitor, Juliet Wheldon, as Accounting Officer of the Department with the responsibility for preparing the Department's Estimate. An Additional Accounting Officer, Stephen Wooler, has been appointed for HM Crown Prosecution Service Inspectorate (HMCPSI), which became part of this Estimate on 1 April 2001.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity for the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officer's Memorandum issued by the Treasury and published in *Government Accounting*. In the case of the HMCPSI, these responsibilities are delegated to the Additional Accounting Officer by means of a Framework Document which sets out the relationship with the Principal Accounting Officer and the responsibilities of HMCPSI element of the Estimate.

Analysis of Appropriations in Aid

	2002–03 provision		2001–02 provision		2000–01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RFR1: Providing comprehensive and competitive legal services to government department and publicly funded bodies						
Income from administrative receipts (including time charges)	33,336	—	28,861	—	21,359	—
Income from BV receipts only	2,000	—	2,000	—	1,904	—
Income from disbursement charges	35,303	—	35,233	—	41,542	—
TOTAL	70,639*	—	66,094	—	64,805	—

*Amount that may be applied as appropriations in aid arise from legal and administrative services provided, charges for bona vacantia work, recovery of costs for tenants in jointly occupied buildings and European Fast Streamers.

Departmental Expenditure Limit and Administration Cost Limit

2002–03 Administration Costs Limits			£000s
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	45,475	–35,336	10,139
Net administration costs limits	—	—	—

2002–03 Departmental Expenditure Limits			£000s
	Voted	Non-Voted	Total
Resource DEL	12,836	—	12,836
Capital DEL	4,650	—	4,650
Total DEL	17,486	—	17,486

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Ministry of Defence

Introduction

RfR1: Provision of Defence Capability

1. RfR1 provides for expenditure primarily to meet the Ministry of Defence's (MOD) operational, support and logistics services costs and the costs of providing the equipment capability required by defence policy. It reflects the way in which the manages its expenditure. Each of the eleven Top Level Budget (TLB) Holders included in this RfR has been allocated an individual RfR section (A to K, M to W, and Y to AD) consistent with expenditure and income for which the TLB holder is responsible and accountable within the Department. Information on the responsibilities of each TLB holder and the type of expenditure they incur is contained in the Government's Expenditure Plans 2002–03 to 2003–04 Ministry of Defence, Sections L and X provide for expenditure on applied strategic research.
2. The provision sought for 2002–03 is expressed in resource terms. This includes the depreciation charge on fixed assets and a cost of capital charge on the net assets of the department.
3. Dividend payments received from the Department's Trading Funds will be appropriated in aid. Interest on loans provided by the Department to the Trading Funds will continue to be surrendered to the Consolidated Fund in accordance with Government Accounting.
4. Section AH includes £0.499 million in respect of the VAT paid by the Commonwealth War Graves Commission for UK expenditure; £3.621 million in respect of payments and interest charges under the Armed Forces (Housing Loan) Acts, and £3.088 million in respect of capital loan repayments and interest charges in respect of a finance lease for the provision of married quarters at RAF Lossiemouth. All of these sums are classified as expenditure outside Departmental Expenditure Limits.
5. Some advances made periodically for the UK share of costs of collaborative projects will be charged to the RfR at the time of issue and MOD will be provided with periodic statements of actual expenditure incurred.

RfR2: Conflict Prevention

6. This RfR provides for the consumption of such resources as are agreed by the Conflict Prevention sub-committee in support of activity in the following regions:
 - (a) expenditure in support of government endorsed activity in Sub-Saharan Africa;
 - (b) expenditure in support of government endorsed activity in the Rest of the World;

RfR3: War Pensions and Allowances, etc

7. This RfR provides for the payment of war disablement and war widows' pensions in accordance with relevant legislation.
8. Provision for this RfR was formerly included within the Department of Social Security (now the Department of Work and Pensions) Main Estimate.
9. Costs of administering War Pensions are borne on Provision of Defence Capability, RfR1.
10. Supporting information relating to expenditure contained in this Estimate is included in the Government's Expenditure Plans 2002–03 to 2003–04, Ministry of Defence.
11. The Ministry of Defence is responsible for administering the funding for this Estimate.
12. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Provision of Defence Capability	31,287,813,000
RfR2: Conflict Prevention	341,141,000
RfR3: War Pensions and Allowances, etc	1,186,720,000
Total net resource requirement	32,815,674,000
Net cash requirement	26,091,927,000

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

RfR1: Provision of Defence Capability

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

RfR2: Conflict Prevention

conflict prevention, early warning, crisis management, conflict resolution/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

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

The Ministry of Defence will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
Total RfR1	31,287,813,000	13,250,444,000	18,037,369,000
Total RfR2	341,141,000	140,590,000	200,551,000
Total RfR3	1,186,720,000	530,045,000	656,675,000
Total net resource requirement	32,815,674,000	13,921,079,000	18,894,595,000
Net cash requirement	26,091,927,000	11,502,488,000	14,589,439,000

Part II: Subhead detail

£000

	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6	7	8	Provision	Outturn
	Admin	Other Current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RIR1: Provision of Defence Capability										
	32,736,621		146,999	32,683,620	1,395,807	31,287,813	5,737,272	217,169	31,185,847	33,349,681
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
* A: Commander-in-Chief Fleet	1,269,082			1,269,082	21,459	1,247,623	19,175	9	1,268,538	1,253,632
* B: General Officer Commanding (Northern Ireland)	49,237			49,237	1,601	493,576	34,000	1,300	485,097	489,440
* C: Commander-in-Chief Land Command	3,819,667			3,819,667	179,344	1,640,363	90,207	172	3,549,361	3,468,155
* D: Air Officer Commanding-in-Chief RAF Strike Command	1,822,840			1,822,840	27,968	1,794,932	56,229		1,800,045	1,712,112
* E: Chief of Joint Operations		379,505		379,505	27,856	351,649	28,471	401	330,247	328,591
* F: Chief of Defence Logistics	4,694,294		1,300	4,695,594	342,453	4,353,141	688,928	27,898	4,443,126	4,107,457
* G: 2nd Sea Lord/Commander-in-Chief Naval Home Command	643,019			643,019	42,649	600,370	10,600		604,300	588,641
* H: Adjutant General (Personnel and Training Command)	1,396,420			1,396,420	22,352	1,374,068	49,800		1,376,960	1,347,362
* I: Air Officer Commanding-in-Chief RAF Personnel and Training Command	931,821			931,821	153,098	778,723	11,703	118	755,854	728,062
* J: Central	3,430,348		146,200	3,506,048	533,830	2,062,218	54,925	158,777	2,105,748	2,008,325
* K: Defence Procurement Agency	1,085,844			1,085,844	13,623	1,072,267	4,493,236		1,051,381	1,241,256
* L: Major Customers' Research Budget	412,844			412,844		412,844			418,171	407,882
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-cash items</i>										
M: Commander-in-Chief Fleet		2,550,860		2,550,860		2,550,860			2,478,492	2,586,424
N: General Officer Commanding (Northern Ireland)		127,959		127,959		137,959			124,685	105,580
O: Commander-in-Chief Land Command		1,485,148		1,485,148		1,485,148			1,398,475	1,352,582
P: Air Officer Commanding-in-Chief RAF Strike Command		2,330,436		2,330,436		2,330,436			2,034,550	1,980,436
Q: Chief of Joint Operations		133,552		133,552		133,552			140,938	153,165
R: Chief of Defence Logistics		4,348,890		4,348,890		4,348,890			4,274,187	5,013,965
S: 2nd Sea Lord/Commander-in-Chief Naval Home Command		68,590		68,590		68,590			72,856	75,006
T: Adjutant General (Personnel and Training Command)		156,709		156,709		156,709			151,354	160,908
U: Air Officer Commanding-in-Chief RAF Personnel and Training Command		155,025		155,025		155,025			171,699	165,733
V: Central		179,384		179,384		179,384			262,379	251,619
W: Defence Procurement Agency		1,384,764		1,384,764		1,384,764			1,421,231	1,393,440
X: Major Customers' Research Budget		3,646		3,646		3,646			4,034	5,805
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
Y: Commander-in-Chief Fleet									16,268	9,350
Z: General Officer Commanding (Northern Ireland)									512	21,273
AA: Commander-in-Chief Land Command									3,551	28,512
AB: Air Officer Commanding-in-Chief RAF Strike Command									9,778	248,390
AC: Chief of Joint Operations									451	7,552
AD: Chief of Defence Logistics					6,065	6,065			10,969	15,709
AE: 2nd Sea Lord/Commander-in-Chief Naval Home Command									1,667	5,125

Part II: Subhead detail (Continued)

£000

	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6				
	Admin	Other current	Grants	Grants Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
AF Adjutant General (Personnel and Training Command)									3,441	6,234
AG Air Officer Commanding-in-Chief RAF Personnel and Training Command									3,318	2,382
Z Central		6,709	499	7,208	23,500	16,292			17,186	59,933
AI Defence Procurement Agency										4,398
AJ Loans and grants to and repayments from the Hydrographic Office								279		
AB Loans and grants to and repayments from DSTL								2,100		
AC Loans and grants to and repayments from DARA								2,115		
AD Loans and grants to and repayments from QinetiQ								24,776		
RFR2: Conflict Prevention		341,141		341,141		341,141	106,500		573,177	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Programme Sub-Saharan Africa		18,929		18,929		18,929			34,597	
*B Programme Rest of the World		19,661		19,661		19,661			14,703	
Peacekeeping Sub-Saharan Africa									2,574	
*C Peacekeeping Rest of the World		235,365		235,365		235,365	106,500		502,003	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
Programme Sub-Saharan Africa									300	
D Peacekeeping Rest of the World		47,186		47,186		47,186			19,066	
RFR3: War Pensions—Programme Costs		5	1,186,715	1,186,720		1,186,720			1,246,692	1,411,782
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
A War Pensions—Programme Costs		5	1,185,500	1,185,505		1,185,505			1,197,577	1,221,678
B War Pensions—Programme Costs—Far Eastern Prisoners of War			1,200	1,200		1,200			43,000	169,240
C War Pensions—Programme Costs—British Limbless Ex-Servicemen's Association (BLEMSA)			15	15		15			15	8
<i>Non-Cash items</i>										
War Pensions—Programme Costs									391	379
Total		12,877,767	1,333,714	34,211,481	1,395,807	32,815,674	5,844,772	217,169	32,992,716	34,761,463

Part II: Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn	£'000
Net Total Resources¹	32,816,674	32,999,716	34,761,463	
Voted Capital Items				
Capital	5,843,772	6,088,689	5,993,076	
<i>Less</i> Non-operating A-in-A	<u>217,169</u>	<u>336,233</u>	<u>600,379</u>	
	5,626,603	5,752,456	5,392,697	
Accruals to cash adjustment				
Cost of capital charges	-5,144,580	-5,284,704	-5,182,754	
Depreciation	-7,175,097	-7,048,658	-7,319,415	
New provisions and adjustments to previous provisions	432,079	-503,944	347,311	
Other non-cash items	-5,000	-5,000	-941,157	
Increase (+)/Decrease (-) in stock	-431,037	—	-1,401,507	
Increase (+)/Decrease (-) in debtors	264,848	367,600	73,157	
Increase (-)/Decrease (+) in creditors	160,758	574,000	-485,604	
Use of provisions	<u>411,837</u>	<u>336,662</u>	<u>414,439</u>	
Total accruals to cash adjustments	-12,350,350	11,564,044	15,190,152	
Excess cash to be CFERd	—	—	—	
Net Cash Requirement	26,091,927	27,188,128	24,964,008	

¹ Voted items for 2000-01 were made under the cash supply procedure.

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	Receipts	Income	Receipts	Income	Receipts
Operating income not classified as A in A	17,940	<i>17,940</i>	25,011	<i>25,011</i>	21,654	<i>21,654</i>
Non-operating income not classified as A in A	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	17,940	17,940	25,011	25,011	21,654	21,654

Forecast Operating Cost Statement

£'000

	2002-03 Provision	2001-02 Provision	2000-01 Outturn
Net Programme Costs			
Request for Resources 1	31,269,873	31,160,836	33,328,027
Request for Resources 2	341,141	573,177	—
Request for Resources 3	1,186,720	1,240,692	1,411,782
Total Net Programme costs	32,797,734	32,974,705	34,739,809
TOTAL NET OPERATING COST	32,797,734	32,974,705	34,739,809
<i>of which:</i>			
NET RESOURCE OUTTURN	32,815,674	32,999,716	34,761,463
CFERs	117,940	- 25,011	- 21,654
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN	32,856,862	33,003,314	34,664,011

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	32,815,674	32,999,716	34,761,463
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	– 17,940	– 25,011	– 21,654
Net Operating Costs (Accounts)	32,797,734	32,974,705	34,739,809
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	17,940	25,011	21,654
Full resource consumption of public corporations	37,551	13,586	164,296
Gains/losses from sale of capital assets	—	– 5,174	– 263,633
European Union income and related adjustments	250	—	1,092
Voted expenditure outside the budget	3,387	– 4,814	793
Other adjustments			
Resource Budget Outturn (Budget)	32,856,862	33,003,314	34,664,011
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	18,865,444	19,034,434	19,239,007
Annually Managed Expenditure (AME)	13,991,418	13,968,880	15,425,004

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	5,626,603	5,752,456	5,392,697
Full capital expenditure by public corporations	171,922	- 61,547	84,861
Gains/losses from sale of capital assets	—	5,174	263,633
Other adjustments	—	- 1,344	- 1,268
Capital Budget Outturn	5,798,525	5,694,739	5,739,923
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	5,731,525	5,655,939	5,739,923
Annually Managed Expenditure (AME)	67,000	38,800	—

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of the Ministry of Defence, Sir Kevin Tebbit, as the Accounting Officer of the Department with responsibility for preparing the Department's Estimates of Defence Capability (R1R1), Conflict Prevention (R1R2) and War Pensions (R1R3).

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

Analysis of Appropriations in Aid

£000

	2002-03 Provision		2001-02 Provision		2000-01 Outturn	
	AinA	Non-op AinA	AinA	Non-op AinA	AinA	Non-op AinA
R1R1: Provision of defence capability						
Income from Supplies and Services	987,497	—	350,045	—	271,262	—
Loan and Rental Income	228,880	—	38,261	—	42,832	—
Interest Received	4,290	—	215	—	14,720	—
Other Income	175,140	—	869,604	—	792,715	—
Payment for the War Pensions Agency (WPA) from the Department for Work and Pensions	—	—	37,107	300	1,125	104
Payment for the Security Services Group (SSG) from the Cabinet Office	—	—	13,375	—	13,992	30
Income from sale of Fixed Assets	—	188,675	—	252,076	—	317,987
Loan Repayments from Trading Funds	—	28,494	—	84,157	—	18,759
Total	1,395,807*	217,169**	1,308,607	336,533	1,136,646	336,880

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

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

Analysis of Consolidated Fund Extra Receipts

£000

	2002-03 Provision		2001-02 Provision		2000-01 Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Accrued interest on bank balances and short term bank deposits and interest receivable on trading fund loans etc.	17,940	17,940	25,011	25,011	21,654	21,654
Receipts relating to accrued interest on advances held by an agency of a foreign Government for contractual purposes and receipts arising from sales of certain assets etc.	—	—	—	—	—	—
Total	17,940	17,940	25,011	25,011	21,654	21,654

2002-03 Departmental Expenditure Limits

	Voted	Non-Voted	£000s Total
Resource DEL	18,475,734	389,710	18,865,444
Capital DEL	5,655,097	76,428	5,731,525
Total DEL	24,130,831	466,138	24,596,969

- Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
- Excludes EL receipts. EL receipts are included in Estimates, but excluded in Budgets.

2. The total provision sought for 2002-03 is 0.6% lower than the final net provision for 2001-02 of £32,999,716,000. The provision sought for 2002-03 for RfR1 is 0.3% higher than the final net provision for 2001-02 (RfR1) of £31,160,836,000.

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

	£000
RfR1	
Section G—Royal Navy and Royal Marine Sports Control Board ■	108
Section G—The Scott Polar Institute ■	35
Section H—Army Sports Control Board ■	342
Section I—RAF Sports Control Board ■	79
Section J—The Royal British Legion ■	332
Section J—Subscription to the European Meteorological Satellite Programme ■	11,956
RfR3	
Section B—Cost of awards to surviving members of British groups held prisoner by the Japanese during the Second World War (Far Eastern prisoners of war) or their surviving spouse ■	1,200

4. Gifts: for financial year 2002-03 a sum of £34,000 has been allocated to the offices of Ministers and certain senior staff to present gifts to overseas, or UK based, non-government dignitaries from whom they receive, or to whom they make, visits.

5. Staff Benefits: for financial year 2002-03, TLB holders have delegated authority to make Special Bonus payments to civilian staff, to either an individual or to a team, in recognition of exceptional performance. Awards will not exceed £2,000 per person, and will not in total exceed 0.4% of the civilian paybill for the TLB. TLB holders are also able to authorise non-cash awards, which include such items as retail outlet, or theatre ticket, vouchers. Individual awards will not exceed £50, and in total nor will they exceed 0.1% of the civilian paybill for the TLB.

Contingent Liabilities

6. Contingent liabilities valued in excess of £100,000 are as follows:

	RfR	Value
Statutory Liabilities		
Statutory liabilities in relation to the operation of International Military Services Ltd.	RfR1	Up to £50m, or £100m with Commons approval
Non-Statutory Liabilities		
Residual liability for the remediation of unidentified contamination in parts of the former Rosyth Naval base which has been sold to Rosyth 2000 plc.	RfR1	Up to £1.0m
Liability to the Saudi Government to destroy UK supplied JP233s and provide 100 ex-RAF Paveway 3s following the signature and ratification by HMG of the Ottawa Convention on landmines.	RfR1	Up to £10.1m
Termination liabilities arising out of MOD's association with the Research Council under the Joint Grants Scheme.	RfR1	Up to £10.0m

	RfR	Value
Indemnity given to the Federal Republic of Germany in respect of additional costs which might be incurred by Daimler Chrysler Aerospace in the event of delays in the development of the European Collaborative Radar 90 for the Eurofighter 2000.	RfR1	£66.523m*
Indemnity given in relation to the disposal of Gruinard Island in the event of claims arising from the outbreak of specific strains of Anthrax on the island.	RfR1	Unquantifiable
Liabilities arising from the insurance risk of exhibits on loan to the Navy, Army and RAF museums.	RfR1	£1.340m
Contractorisation of Atomic Weapons Establishment (AWE); indemnity to Hunting-BRAE Ltd. in respect of nuclear risks under the Nuclear Installations Act 1965.**	RfR1	Up to £140m per incident
Contractorisation of AWE; indemnity to Hunting-BRAE Ltd. In respect of non-Nuclear Installations Act nuclear risks resulting from claims for damage to property or death and personal injury to a third party.	RfR1	Unquantifiable
Contractorisation of AWE; indemnity to Hunting-BRAE Ltd in respect of non-nuclear risks, covering employer's liability, property damage and business interruption, public and product liability.**	RfR1	Unquantifiable
Contractorisation of AWE; Indemnity to Hunting-BRAE Ltd in respect of employees having a claim on a personal insurance policy repudiated because of that employee's involvement with Nuclear Accident Response Team activities.	RfR1	Unquantifiable
Contractorisation of Atomic Weapons Establishment (AWE); Indemnity to AWE Management Ltd and AWE plc in respect of non-Nuclear Installations Act 1965 nuclear risks resulting from claims for damage to property or death and personal injury to a third party.	RfR1	Unquantifiable
Contractorisation of Atomic Weapons Establishment (AWE); Indemnity to AWE Management Ltd in respect of non-nuclear risks, covering employer's liability, property damage and business interruption, public and product liability.	RfR1	Unquantifiable
Contractorisation of AWE; Indemnity to AWE Management Ltd and AWE plc in respect of an employee having a claim or a personal insurance policy repudiated because of that employee's involvement with Nuclear Accident Response Team activities.	RfR1	Unquantifiable
Indemnity to Devonport Royal Dockyards Ltd (DRDL) in respect of nuclear risks under the Nuclear Installations Act 1965.	RfR1	Amount of liability unlimited but could be zero if there is no claimable incident
Indemnity to the Babcock Group in respect of nuclear risks under the Nuclear Installations Act 1965.	RfR1	Unquantifiable
Indemnities to DRDL and to the Babcock Group in respect of non-nuclear risks resulting from claims for damage to property or death and personal injury to a third party.	RfR1	Unquantifiable
Product liability to British Aerospace in respect of work carried out by third party contractors on aircraft for which BAe are Design Authority and for which BAe, at MOD's request provide the third party contractor with design advice and verification.	RfR1	Unquantifiable
Liabilities arising from the sale of Married Quarters estate to Annington Group: to continue to provide utilities—mainly electricity, gas, water and sewerage services on repayment terms to sites that are surrendered in the first 25 to 28 years which depend on adjacent bases for these services; or to contribute to the cost of installing "public" utility services up to a maximum of £25m across the estate.	RfR1	£18.85m

Other Notes to the Estimate (*continued*)

	RfR	Value
Indemnity to SERCO to meet the cost of redundancy liability for ex-MOD staff transferred to the company with the contract for the operation and maintenance of Tracking and Surveillance Radar, Telemetry equipment and other services at Royal Artillery Ranges Hebrides.	RfR1	£1.41m
Liability arising out of an agreement with NAAFI to compensate the company for any overall losses resulting from the action or policies of MOD leading to a cessation of certain core requirements.	RfR1	£22.3m
Indemnity to BAe Systems (formerly GEC Marconi and Vickers Shipbuilding and Engineering Ltd (VSEL), Barrow) for third party risks.	RfR1	Up to £140m per incident
Standard indemnity to BAe Systems (formerly GEC Marconi and VSEL) in respect of fissile material intended for use on the VANGUARD and ASTUTE Classes contract.	RfR1	Unquantifiable
Waste management, decommissioning and dismantling costs associated with the MOD's nuclear activities on certain MOD operated sites and sites currently operated by: Atomic Weapons Establishment Management Ltd, British Nuclear Fuels Limited, Nuclear Industries Radioactive Waste Executive, Rolls Royce & Associates and UK Atomic Energy Authority.	RfR1	£16,729.918m
Indemnity to Rolls Royce Power Engineering, Derby for risks associated with the handling of fissile materials.	RfR1	Up to £140m per incident
Standard shipbuilding indemnity (in lieu of insurance) to GEC Marconi as part of the ASTUTE Class contract against loss damage and liability incurred by the submarine builder.	RfR1	Unquantifiable
Termination liabilities in respect of phase 2 of the NILE project.	RfR1	£0.156m
*Represents sterling equivalent of 102m Euros which is subject to exchange rate movements.		
**AWE contingent liabilities will last for 10 years after the end of the contract.		

This list of contingent liabilities is also published in the MOD section of the Contingent Liabilities listed in the House of Commons paper: Consolidated Fund and National Loans Fund Accounts 2000–01, reference 381, dated 22 February 2002.

Grants in aid above £1 million included in this Estimate RfR1 are:

	£ million
Section G—Naval and maritime museums ♥	2.061
Section H—National Army Museum ♥	4.800
Section H—Royal Hospital Chelsea ♥	8.531
Section I—Royal Air Force Museum ♥	4.602
Section J—Commonwealth War Graves Commission ♦	24.795

International Subscriptions above £1 million included in this Estimate RfR1, Section J, are:

	£ million
UK Contribution to the Comprehensive Test Ban Treaty verification regime	3.262
European Meteorological Satellite Programme	11.956
NATO military budgets	55.000
NATO infrastructure projects	74.780
WEU Satellite	1.230
NATO Maintenance and Supply Agency (NAMSA)	1.300

Cash which may be retained to offset expenditure:

£'000

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

1,395,807

Armed Forces Retired Pay, Pensions, etc

Introduction

1. This Estimate provides for the payment of retired pay, pensions and lump sum benefits to persons covered by the Armed Forces Pensions Scheme (AFPS), the rules for which are set out in the Royal Navy Orders in Council, the Army Pensions Warrant and the Queen's Regulations for the Royal Air Force. Provision is also made for:

- (a) expenditure and receipts on transfer payments for personnel transferring outside the Armed Forces;
 - (b) income from transfer payments and purchase of added years, etc, and the increases payable in accordance with the Annual Review Orders;
 - (c) payment of those benefits outside the AFPS. Such benefits include short service gratuities, resettlement grants, and pensions for inter-war pensions and locally engaged personnel;
 - (d) the accruing superannuation liability charges (ASLC) receipts for armed forces personnel. The related expenditure is borne on Provision of Defence Capability, RfRI.
 - (e) this Estimate also provides for the payment of injury benefits to adult instructors of the cadet forces.
2. It has been assumed that pensions averaging £6,230 will be paid to 341,000 retired armed forces personnel (including widows and dependants), compared to an average of £5,652 paid to 336,000 retired armed forces personnel (including widows and dependants) in 2001-02.
3. The Ministry of Defence is responsible for administering the AFPS; the related staff and other costs are borne on Provision of Defence Capability, RfRI.
4. Supporting information relating to expenditure contained in this Estimate is included in "The Government's Expenditure Plans 2002-03 to 2003-04, Ministry of Defence."
5. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Armed Forces Retired Pay, Pensions, etc	1,401,131,000
Total net resource requirement	1,401,131,000
Net cash requirement	1,412,956,000

Amounts required in the year ended 31 March 2003 for expenditure by the Ministry of Defence on:

RfR1: Armed Forces Retired Pay, Pensions, etc

Payment of retired pay, pensions and lump sum benefits to persons covered by the scheme.

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

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	1,401,131,000	641,700,000	759,431,000
Total net resource requirement	1,401,131,000	641,700,000	759,431,000
Net cash requirement	1,412,956,000	633,600,000	779,356,000

Part II: Subhead detail

£'000

Resources						Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RIR1: Armed Forces Retired Pay, Pensions, etc									
		2,514,143	2,514,143	1,413,012	1,401,131			1,426,001	1,231,598
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Central Government spending</i>									
A	Retired pay, pensions and other payments to Service Personnel and their dependants								
		2,514,143	2,514,143	1,413,012	1,401,131			1,426,001	1,231,598
Total		2,514,143	2,514,143	1,413,012	1,401,131			1,426,001	1,231,598

Part II: Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Total Resources	1,401,131	1,426,001	1,231,598
Voted Capital Items¹			
Capital	—	—	—
Less Non-operating A-in-A	—	—	—
Accruals to cash adjustment			
Cost of capital charges	—	—	—
Depreciation	—	—	—
New provisions and adjustments to previous provisions	—	—	—
Other non-cash items	4,903	—	22,998
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	140	—	5,942
Increase (-)/Decrease (+) in creditors	6,782	18,000	7,893
Use of provisions	—	—	—
Total accruals to cash adjustments	11,825	18,000	-9,163
Excess cash to be CPERd	—	—	—
Net Cash Requirement	1,412,956	1,444,001	1,222,435

¹ Voted items for 2000-01 were made under the cash supply procedure.

Part III: Extra Receipts payable to the Consolidated Fund

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

	2002-03		2001-02		2000-01	
	Income	Receipts	Income	Receipts	Income	Receipts
Operating income not classified as A in A			79,000	<i>79,000</i>	2,901	<i>2,901</i>
Net operating income not classified as A in A	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	—	—	79,000	<i>79,000</i>	2,901	<i>2,901</i>

Forecast Combined Revenue Account

	2002-03		2001-02		2000-01	
	provision		provision		outturn	
Programme costs						
Voted Expenditure						
Income						
Contributions receivable	1,109,304		1,091,329		1,043,397	
Transfers in	2,277	—	1,554	—	2,203	—
Other income	1,431	—	117	—	254	—
	1,113,012	—	1,093,000	—	1,045,854	—
Expenditure						
Benefits payable	2,473,839	—	2,387,118	—	2,236,539	—
Leavers	27,647	—	21,279	—	23,893	—
Other expenditure	12,657	—	31,604	—	14,119	—
	2,514,143	—	2,440,001	—	2,274,551	—
Net Programme Costs	—	1,401,131	—	1,347,001	—	1,228,697
Total Net Outgoings for the Year	—	1,401,131	—	1,347,001	—	1,228,697
Net Resource Outturn	—	1,401,131	—	1,426,001	—	1,231,598
Resource Budget Outturn	—	1,401,131	—	1,426,001	—	1,231,598

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	1,401,131	1,426,001	1,231,598
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	—	- 79,000	- 2,901
Net Operating Costs (Accounts)	1,401,131	1,347,001	1,228,697
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	—	79,000	2,901
Other adjustments	—	—	—
Resource Budget Outturn (Budget)	1,401,131	1,426,001	1,231,598
<i>of which:</i>			
Annually Managed Expenditure (AME)	1,401,131	1,426,001	1,231,598

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of the Ministry of Defence, Sir Kevin Tebbit, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate of the Armed Forces Retired Pay, Pensions etc.

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

Analysis of Appropriations in Aid

	2002-03		2001-02		2000-01		£000s
	Provision		Provision		Outturn		
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
RfR1: Armed Forces, Retired Pay, Pensions etc							
Contributions receivable	1,109,304	—	1,012,329	—	1,040,496	—	
Transfers in	2,277	—	1,554	—	2,203	—	
Other income	1,431	—	117	—	254	—	
Total	1,113,012*	—	1,014,000	—	1,042,953	—	

*Amount that may be applied as appropriations in aid in addition to the net total arising from accruing superannuation liability contributions and pension enhancements and transfers into the Armed Forces Pension Scheme.

Analysis of Consolidated Fund Extra Receipts (CFERs)

	2002-03		2001-02		2000-01		£000
	provision		provision		outturn		
	Income	Receipts	Income	Receipts	Income	Receipts	
▲ Excess Appropriations in Aid to be CFER'd	—	—	79,000	79,000	2,901	2,901	
Total	—	—	79,000	79,000	2,901	2,901	

The provision sought for 2002-03 is 1.7% lower than the final net provision for 2001-02 of £1,426,001,000.

Cash which may be retained to offset expenditure:

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid.	1,113,012

Foreign and Commonwealth Office

Introduction

1. The Estimate covers the cost of running the Foreign and Commonwealth Office including British Trade International, subscriptions to international organisations, conflict prevention and peacekeeping, the FCO's subscriptions to the BBC World Service Monitoring Service and the other FCO programmes and grants including gifts of equipment and services mainly in Africa, Asia the Caribbean, Eastern Europe, Latin America and the overseas territories; the Government's grants in aid to the BBC in respect of the World Service for broadcasting, the FCO's contribution towards the expenses of the British Council; and on associated non-cash items. The Estimate also provides for the refund of certain UK taxes and duties paid by certain Foreign and Commonwealth governments and international organisations.

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

Part I

	£
RfR1: Promoting internationally the interests of the UK and contributing to a strong world community	1,266,725,000
RfR2: Conflict Prevention	246,145,000
Total net resource requirement	1,512,870,000
Net cash requirement	1,445,828,000

Amount required in the year ending 31 March 2003 for expenditure by the Foreign and Commonwealth Office on:

RfR1: Promoting internationally the interests of the United Kingdom and contributing to a strong world community.

expenditure by the Foreign and Commonwealth Office including British Trade International, 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, the BBC Monitoring Service; on grants-in-aid to the BBC World Service for broadcasting and to the British Council; the refund of certain UK taxes and duties paid by certain Foreign and Commonwealth governments and international organizations; and on associated non-cash items.

RfR2: 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.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	1,266,725,000	534,887,000	731,838,000
RfR2	246,145,000	90,190,000	155,955,000
Total net resource requirement	1,512,870,000	625,077,000	887,793,000
Net cash Requirement	1,445,828,000	606,159,000	839,669,000

Part II: Subhead detail

£000

Resources						Capital	2002-03	2001-02	2001-03	
1	2	3	4	5	6	7	8	9	10	
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AiaA	Net Total Resource	Net Total Resources	
R1R1: Promoting internationally the interests of the UK and contributing to a strong world community										
891,810	244,187	294,342	1,430,389	163,584	1,266,725	139,456	30,015	1,236,201	1,544,578	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Administration international organisations programmes and BBC Monitoring subscriptions										
725,847	55,198	110,681	891,726	163,584	728,142	139,456	30,015	729,354	730,783	
*B BBC World Service Broadcasting grant in aid										
—	170,278	—	170,278	—	170,278	—	—	168,055	181,613	
<i>Peacekeeping</i>										
—	—	—	—	—	—	—	—	—	133,287	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
C Accruals consequences of DEL programmes: administration										
165,963	—	—	165,964	—	166,644	—	—	158,107	520,538	
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
E Reimbursement of certain duties taxes and luxury fees										
—	18,000	—	18,000	—	18,000	—	—	18,000	13,410	
F BBC World Service—Capital grant										
—	—	30,000	30,000	—	30,000	—	—	17,700	24,260	
G British Council grant in aid										
—	—	153,661	153,661	—	153,661	—	—	148,985	137,720	
R1R2: Conflict prevention										
—	—	246,145	246,145	—	246,145	—	—	211,508	—	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Sub-Saharan Africa—Programme expenditure										
—	—	2,318	2,318	—	2,318	—	—	4,435	—	
*B Global—Programme expenditure										
—	—	13,590	13,590	—	13,590	—	—	20,133	—	
*C Sub-Saharan Africa—Peacekeeping										
—	—	99,124	99,124	—	99,124	—	—	72,487	—	
*D Global—Peacekeeping										
—	—	141,113	141,113	—	141,113	—	—	114,433	—	
Total	891,810	244,187	540,487	1,676,484	163,584	1,512,870	139,456	30,015	1,447,709	1,544,578

Part II: Resource to Cash reconciliation

	£'000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Total Resources	1,512,870	1,447,709	1,544,578
Voted Capital Items			
Capital	139,456	150,855	118,731
Less Non-operating AinA	30,015	40,015	19,236
	109,441	110,840	99,495
Accruals to cash adjustment			
Cost of capital charges	- 86,833	- 76,436	- 70,949
Depreciation	- 89,390	- 90,259	- 256,203
New provisions and adjustments to previous provisions	—	—	613
Other non-cash items	—	—	282
Increase (+)/Decrease (-) in stock	- 260	- 250	—
Increase (+)/Decrease (-) in debtors	—	—	—
Increase (+)/Decrease (-) in creditors	—	—	—
Use of provisions	—	—	—
Total accruals to cash adjustments	176,483	- 166,945	- 326,821
Excess cash to be CFERd	—	—	—
Net Cash Requirement	1,445,828	1,391,604	1,317,252

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	Receipts	Income	Receipts	Income	Receipts
Operating income not classified as AinA	2,402	<i>2,402</i>	2,402	<i>2,402</i>	5,381	<i>5,381</i>
Net-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	2,402	<i>2,402</i>	2,402	<i>2,402</i>	5,381	<i>5,381</i>

Forecast Operating Cost Statement

£'000

	2002-03 Provision	2001-02 Provision	2000-01 Outturn
Net Administration Costs			
Request for Resources 1	728,538	720,041	639,763
Total Net Administration costs	728,538	720,041	639,763
Net Programme Costs			
Request for Resources 1	535,785	513,758	899,434
Request for Resources 2	246,145	211,508	--
Non-voted expenditure on Common Foreign and Security Policy (CFSP)	6,722	5,602	4,000
Total Net Programme costs	788,652	730,868	903,434
TOTAL NET OPERATING COST	1,517,190	1,450,909	1,543,197
of which:			
NET RESOURCE OUTTURN	1,512,870	1,447,709	1,544,578
CFERS	-2,402	-2,402	5,381
Non-voted expenditure	6,722	5,602	4,000
RESOURCE BUDGET OUTTURN	1,502,149	1,451,213	1,500,830

Notes to the Estimates

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£000		
	2002–03 Provision	2001–02 Provision	2000–01 Outturn
Net Resource Outturn (Estimates)	1,512,870	1,447,709	1,544,578
<i>Adjustments for:</i>			
Non-voted expenditure in the OCS	6,722	5,602	4,000
Consolidated Fund Extra Receipts in the OCS	– 2,402	– 2,402	– 5,381
Net Operating Costs (Accounts)	1,517,590	1,450,909	1,543,197
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	2,402	2,402	5,381
Full resource consumption of non-departmental public bodies	3,040	3,391	– 5,738
Full resource consumption of public corporations	– 23,332	– 11,984	– 26,600
Voted expenditure outside the budget	– 18,000	– 18,000	– 15,410
Unallocated resource provision	20,849	24,495	–
Resource Budget Outturn (Budget)	1,502,149	1,451,213	1,500,830
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	1,318,597	1,276,799	1,180,442
Annually Managed Expenditure (AME)	183,552	174,414	320,388

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 Provision	2001–02 Provision	2000–01 Outturn
Net Voted Capital Outturn (Estimates)	109,441	109,840	90,495
Full capital expenditure by non-departmental public bodies	11,200	11,200	5,738
Full capital expenditure by public corporations	30,000	17,700	25,200
Capital Budget Outturn	150,641	132,740	130,433
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	145,241	134,340	130,433
Annually Managed Expenditure (AME)	5,400	5,400	–

Analysis of Appropriations in Aid

	2002–03		2001–02		2000–01		£000
	Provision		Provision		Outturn		
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
RFR1: Promoting Internationally the interests of the UK and contributing to a strong world community							
Refunds of salaries of seconded diplomatic staff	1,256	—	1,265	—	1,742	—	—
Receipts for the sale of information material overseas	49	—	49	—	10	—	—
Income from sub-letting and receipts from sales of surplus material and equipment	110	—	110	—	193	—	—
Receipts at home and overseas from legalisation fees, telephone and postage recoveries, medical schemes recoveries, bank interest and sundry receipts	5,335	—	5,335	—	6,039	—	—
Receipts from Government Departments	47,718	—	46,718	—	50,326	—	—
Overseas receipts relating to local budgets	2,572	—	2,572	—	2,013	—	—
Receipts for visa and other services provided at consular offices	98,876	—	99,327	—	87,051	—	—
Lancaster House receipts from other customers	87	—	87	—	—	—	—
Wilton Park Executive Agency	1,679	—	1,679	—	2,811	—	—
Distressed British nationals, repayment of advances	65	—	63	—	63	—	—
DfID payments to the Commonwealth Foundation	247	—	247	—	—	—	—
Sales into Wider Markets	5,590	—	5,590	—	—	—	—
Income from sale of fixed assets	—	30,015	—	40,015	—	30,059	—
Total (RFR 1)	165,584*	30,015**	163,033	40,015	150,248		30,059
RFR 2: Conflict prevention							
Peacekeeping receipts	—	—	6,064	—	—	—	—
Total (RFR 1 + RFR 2)	165,584*	30,015**	169,097	40,015	150,248		30,059

*Amount that may be applied as 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 sundry other 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; repayment of defence assistance loans to Singapore and Malaysia, receipts from sales into wider markets.

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

Analysis of Consolidated Fund Extra Receipts

	2002-03 Provision		2001-02 Provision		2000-01 Provision	
	Income	Receipts	Income	Receipts	Income	Receipts
Consular fees	2,402	2,402	2,402	2,402	5,381	5,381
Total	2,402	2,402	2,402	2,402	5,381	5,381

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of the Foreign and Commonwealth Office, Sir Michael Jay, as the Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

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

Details of 2002-03 Departmental Expenditure Limits

			£000
	Voted	Non-Voted	Total
Resource DEL	1,144,565	174,032	1,318,597
Capital DEL	109,441	35,800	145,241
Total DEL	1,254,006	209,832	1,463,838

Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

Excludes EU receipts included in Estimates, but excluded in Budgets.

Details of 2002–03 Administration Costs Limits

	Gross provision	Income	£000 Total administration costs limit
Gross administration costs limit	725,847	-47,805	678,042
Net administration costs limits	—	—	—

Comparison of provision sought with final provision for previous year

The total provision sought for 2002–03 is 4.5 per cent higher than the final net position for 2001–02 of £1,447,709,000.

Contingent Liabilities

BBC World Service: £10,000,000—Contractual Liability of the BBC to Merlin Communication International Limited resulting from the privatisation of the BBC's overseas exhibited overseas transmission business.

British Council: £2,000,000 Indemnities given by the British Council to the owners of objects exhibited overseas against loss or damage.

Non-pay Staff Benefits

Last year, the FCO introduced a performance related bonus scheme for all staff (UK and Locally Engaged). Some 1,380 staff benefited at a cost of £599,450.

Subscriptions to International Organisations above £1 million.

	£'000
United Nations Regular Budget	43,034
Commonwealth Secretariat	3,482
Council of Europe	15,385
Western European Union	2,000
Organisation for Economic Cooperation and Development (OECD)	5,240
North Atlantic Treaty Organisation (NATO)	17,300

Grant Funded Expenditure above £1 million:

	£'000
BBC World Service	200,278
British Council	153,661
Westminster Foundation for Democracy	4,207

Cash which may be retained to offset expenditure:

	£'000
Cash which may be retained by the Department to offset expenditure in the year due to its relationship with income that has been or will be appropriated-in-aid.	163,584

International Development

Introduction

1. This Estimate covers expenditure by the Department for International Development (DFID) on: the United Kingdom's international development programme; global environment assistance; payments to certain beneficiaries of the Gibraltar Social Insurance Fund; the development of a public/private partnership with CDC Capital Partners; conflict prevention; related administrative work, including the administration of pensions expenditure; certain associated non-cash items. The Forecast Operating Cost Statement also includes details of non-voted attribution for the UK share of European Community budgetary spending on aid and for the loss of interest to the Consolidated Fund as a result of Retrospective Terms Adjustment arrangements stemming from debt relief.

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

Part I

	£
RfR1: Eliminating Poverty in Poorer Countries	2,531,567,000
RfR2: Conflict Prevention	35,654,000
Total net resource requirement	2,567,221,000
Net cash requirement	2,528,185,000

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

RfR1: Eliminating Poverty in Poorer Countries

International Development under the International Development Act 2002 which comes into force at the end of May 2002 and replaces the Overseas Development and Co-operation Act 1980, including financial and technical assistance to governments, institutions, voluntary agencies and individuals; capital and other subscriptions and contributions, including payments under guarantee to multilateral development banks and other international and regional bodies; emergency, refugee and other relief assistance; pensions and allowances in respect of overseas service including contributions to pension funds (including payments under the Overseas Pensions Act 1973, and grants in lieu of pensions); global environment assistance; payments to United Nations Educational, Scientific and Cultural Organisation (UNESCO); administration, related capital expenditure and other administrative costs; costs involved in the development of a public/private partnership with CDC Capital Partners; payments (under the authority of the European Communities Act 1972) to certain beneficiaries of the Gibraltar Social Insurance Fund; and associated non-cash items.

RfR2: Conflict Prevention

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

The Department for International Development will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	2,531,567,000	1,086,240,000	1,445,327,000
RfR2	35,654,000	12,289,000	23,365,000
Total net resource requirement	2,567,221,000	1,098,529,000	1,468,692,000
Net cash requirement	2,528,185,000	1,097,120,000	1,431,065,000

Part II: Subhead detail

£'000

Resources	2002-03						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6				
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RIR1: Eliminating Poverty in Poorer Countries										
	97,869	151,654	2,137,297	2,536,900	5,333	1,531,567	61,963	47,601	2,534,853	2,376,358
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A Bilateral development assistance expenditure			1,491,437	1,491,437	633	1,490,804		27,978	1,603,398	1,294,426
B Multilateral development assistance			451,180	451,180	100	451,080	39,525	19,320	415,851	384,450
*C Administration	75,586	2,000		77,586	4,600	72,986	23,438	13	74,314	68,242
D Certain beneficiaries of the Gibraltar Social Insurance Fund		8,000		8,000		8,000			7,600	7,723
E Unallocated			90,603	90,603		90,603				
F Public/Private Partnership with the Commonwealth Development Corporation	1,000			1,000		1,000			500	792
G Crown Agents Loan Repayments								280		
H Anti money-laundering										
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
I Bilateral development assistance			82,851	82,851		82,851			27,447	91,298
J Multilateral development assistance		58,783	294,739	353,522		353,522			325,705	519,466
K Administration	21,283			21,283		21,283			11,786	9,979
RIR2: Conflict Prevention			35,654	35,654		35,654			28,250	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A Sub-Saharan Africa - Programme expenditure			21,754	21,754		21,754			15,350	
B Global - Programme expenditure			13,900	13,900		13,900			12,900	
Total	97,869	151,654	2,333,051	2,572,554	5,333	1,967,221	61,963	47,601	2,562,803	2,376,358

Part II: Resource to Cash reconciliation

£'000

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Total Resources	2,567,221	2,562,803	2,376,358
Voted Capital Items			
Capital	61,963	63,650	17,880
Less Non-operating A-in-A	47,601	43,203	31,713
	14,362	20,447	- 13,833
Accruals to cash adjustment			
Cost of capital charges	146,258	151,055	- 152,274
Depreciation	- 16,925	- 9,119	- 8,966
New provisions and adjustments to previous provisions	- 294,779	- 267,981	- 459,751
Other non-cash items	- 70	140	140
Increase (-)/Decrease (-) in stock	—	—	—
Increase (-)/Decrease (-) in debtors	—	—	- 7,678
Increase (-)/Decrease (+) in creditors	—	—	23,788
Use of provisions	404,634	342,237	340,789
Total accruals to cash adjustments	- 53,398	- 86,058	- 248,876
Excess cash to be CFERd	—	—	—
Net Cash Requirement	2,528,185	2,497,192	2,113,649

Part III: Extra Receipts payable to the Consolidated Fund

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

£000

	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	15,000	<i>15,000</i>	18,000	<i>18,000</i>	10,293	<i>6,500</i>
Non-operating income not classified as A in A	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	15,000	15,000	18,000	18,000	10,293	6,500

Forecast Operating Cost Statement

£000

	2002-03 provision	2001-02 provision	2000-01 provision
Net Administration Costs			
Request for Resources 1	93,269	84,550	77,461
Total Net Administration costs	93,269	84,550	77,461
Net Programme Costs			
Request for Resources 1	2,423,298	2,432,003	2,288,604
Request for Resources 2	35,654	28,250	—
Total Net Programme costs	3,262,952	3,132,073	2,926,640
TOTAL NET OPERATING COST	3,356,221	3,216,623	3,004,101
<i>of which:</i>			
NET RESOURCE OUTTURN	2,567,221	2,562,803	2,376,358
CFERs	- 15,000	- 18,000	- 10,293
Non-voted expenditure	804,000	671,820	638,036
RESOURCE BUDGET OUTTURN	3,378,221	3,254,623	3,014,394

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	2,567,221	2,562,803	2,376,358
<i>Adjustments for:</i>			
Non-voted expenditure in the OCS	804,000	671,820	638,036
Consolidated Fund Extra Receipts in the OCS	- 15,000	- 18,000	- 10,293
Net Operating Costs (Accounts)	3,356,221	3,216,623	3,044,101
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	15,000	18,000	10,293
Unallocated resource provision	7,000	—	—
Other adjustments	-	20,000	—
Resource Budget Outturn (Budget)	3,378,221	3,254,623	3,014,394
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	2,948,175	2,841,258	2,425,297
Annually Managed Expenditure (AME)	430,046	397,352	589,097

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	14,362	20,447	- 13,833
Other adjustments	376,984	307,713	251,932
Capital Budget Outturn	391,346	328,160	238,099
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	391,346	328,160	238,099

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

Detail	2002–03 provision		2001–02 provision		2000–01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RFR1: Eliminating poverty in poorer countries						
Loan repayments	—	27,298	—	24,900	—	32,400
Guarantee refunds from European Investment Bank	100	—	100	—	100	—
Administrative costs recoveries	4,500	23	3,771	23	3,867	—
Recovery of EBRD Director's salary	100	—	76	—	76	—
Crown Agents Loan repayment	—	280	—	280	—	280
Receipts from overseas governments	633	—	1,500	—	633	—
Income from CDC Group plc	—	20,000	—	24,000	—	—
Refunds of VAT	—	—	—	—	100	—
Total	5,333*	47,601**	5,447	43,203	4,776	32,680

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

receipts from overseas governments in respect of bilateral country and sector programmes; recoveries of contributions to widows' and orphans' pension schemes taken over by the UK; refunds of payments made under UK guarantees to the EIB, and recoveries in respect of administration including the EBRD Executive Directors salary

** Amount that may be applied as non-operating appropriations-in-aid arising from:

repayments of loans given to Crown Agents; capital repayments of development assistance loans, income from a debenture issued to DFID by CDC Group plc and income from the disposal of fixed assets.

Analysis of Consolidated Fund Extra Receipts

	£000s					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Interest on loans	14,500	14,500	17,500	17,500	5,500	5,500
Miscellaneous	500	500	500	500	500	500
Total	15,000	15,000	18,000	18,000	6,000	6,000

Departmental Expenditure Limits and Administrative Cost Limits

2002-03 Administration Costs Limits

	Gross provision	Income	£000s Total administration costs limit
Gross administration costs limits	77,336	-100	77,236
Net administration costs limits	—	—	—

2002-03 Departmental Expenditure Limits

	Voted	Non-Voted	£000s Total
Resource DEL	2,109,525	838,650	2,948,175
Capital DEL	14,362	376,984	391,346
Total DEL	2,123,887	1,215,634	3,339,521

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Cash which may be retained to offset expenditure

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

	£000		
	2002-03 Provision	2001-02 Provision	2000-01 Provision
	52,934	48,650	37,456

Department for International Development: Overseas Superannuation

Introduction

1. The Estimate covers various superannuation payments and grants arising from service overseas. The main components being pensions, UK supplements and increases to overseas service pensions of former officers of the India, Pakistan and Burma civil and military services and their dependants, and to former colonial public servants and dependants; pension entitlements arising from post-independence service; pensions for beneficiaries of certain former overseas pension funds for which the UK assumed responsibility for the take-over of the pensions; police and firemen pension liabilities; war service credit.
 2. Details of expenditure in each of the sections of the Estimate and a breakdown of the request for resource allocation are provided in the Departmental Report. Cm. 5414
 3. The administration costs associated with this Estimate are met from the International Development Vote.
 4. Symbols are explained in the Introduction to this booklet.
-

Part I

	£
RfR1: Overseas superannuation†	118,334,000
Total net resource requirement	118,334,000
Net cash requirement	118,334,000

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

RfR1: Overseas superannuation:

Pension and superannuation payments, grants and compensation payments, etc. in respect of overseas services; and sundry other services and expenditure.

The Department for International Development will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	118,334,000	55,426,000	62,908,000
Total net resource requirement	118,334,000	55,426,000	62,908,000
Net cash requirement	118,334,000	55,426,000	62,908,000

† In the Vote on Account RfR1 is described as “DFID Superannuation Pensions”.

Part II: Subhead detail

£'000

Resources						Capital	2002–03	2001–02	2000–01
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Gross	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RRI: Overseas Superannuation									
—	—	118,383	118,383	49	118,334	—	—	121,070	123,486
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Central Government spending</i>									
A DFID: Overseas Superannuation pensions									
—	—	118,383	118,383	49	118,334	—	—	121,070	123,486
Total	—	118,383	118,383	49	118,334	—	—	121,070	123,486

Part II: Resource to Cash reconciliation

	2002–03 provision	2001–02 provision	2000–01 outturn
Net Total Resources	118,334	121,070	123,486
Voted Capital Items			
Capital	—	—	—
Less Non-operating AinA	—	—	—
Accruals to cash adjustment			
Cost of capital charges	—	—	—
Depreciation	—	—	—
New provisions and adjustments to previous provision	—	—	—
Other non-cash items			
Increase (+)/Decrease (–) in stock	—	—	—
Increase (+)/Decrease (–) in debtors	—	—	237
Increase (–)/Decrease (+) in creditors	—	—	321
Use of provisions	—	—	—
Total accruals to cash adjustments	—	—	458
Excess cash to be CFERd	—	—	—
Net Cash Requirement	118,334	121,070	123,944

Part III: Extra Receipts payable to the Consolidated Fund

No CFER receipts are expected in 2002–03. None were received in 2001–02 or 2000–01.

Forecast Combined Revenue Account

	2002-03 provision £000	2001-02 provision £000	2000-01 outturn £000
Programme Costs			
Vote Expenditure			
Income			
Contributions receivable	—	—	—
Transfers in	49	125	51
Other Income	—	—	72
	49	125	123
Expenditure			
Benefits payable	118,383	123,293	123,604
Leavers	—	—	—
Other Expenditure	—	—	—
	118,383	123,293	123,604
Net Programme costs	118,334	121,070	123,481
TOTAL NET OUTGOINGS FOR THE YEAR	118,334	121,070	123,481
<i>of which</i>			
NET RESOURCE OUTTURN	118,334	121,070	123,486
CFERs	—	—	5
RESOURCE BUDGET OUTTURN	118,334	121,070	123,481

Reconciliation of resource expenditure between Estimates, accounts and budgets

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	118,334	121,070	123,486
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	—	—	—5
Net Operating Costs (Accounts)	118,334	121,070	123,481
<i>Adjustments for:</i>			
Resource Budget Outturn	118,334	121,070	123,481
<i>of which:</i>			
Annually Managed Expenditure (AME)	118,334	121,070	123,481

Notes to the Main Estimate

Explanation of Accounting Officers Responsibilities

The Treasury has appointed the Permanent Head of the Department for International Development, Suma Chakrabarti, as Accounting Officer of the Overseas Pension Scheme with responsibility for preparing the Estimate for the Scheme.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Pension Scheme's assets, are set out in the Accounting Officers' memorandum, issued by the Treasury and published in *Government Accounting* (66).

Analysis of Appropriations in Aid

	2002–03 provision		2001–02 provision		2000–01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR1: Pension and superannuation payments, grants and compensation payments in respect of overseas services						
Transfers in:	49	—	44	—	117	—
Banking Receipts	—	—	80	—	72	—
Total	*49	—	124	—	189	—

* Amount that may be applied as appropriations in aid in addition to the net total, arising from superannuation transfer values from overseas employing governments in respect of UK police officers and firemen returning to their home forces following services overseas and bank commission on overseas payments.

Comparison of resource provision sought with final provision and forecast outturn for the previous year

The provision sought for 2002–2003 is 4 per cent lower than the final net provision for 2001–2002 of £123.1 million.

Expenditure is determined principally by the annual increases added to pension supplements to compensate for inflation, the incidence of pensioners qualifying for supplements for the first time and the mortality of pensioners and their dependants. The 2001–2002 provision reflects the 2001 pensions increase of 3.3 per cent applicable from 9 April 2000. Allowance has been made for a pensions increase of 1.7 per cent applicable from 8 April 2002.

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision for Expenditure resting on the sole authority of the Appropriation Act:

- A1 Pensions etc. for service with the Cotton Research Corporation—£134,000.
- A2 Grants to British subjects in lieu of superannuation and other benefits due to them by the former Shanghai Municipality, payment of which has been suspended; grants to certain pensioners of the former Burma services resident outside Burma £40,000.

Cash which may be retained to offset expenditure

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

2002–03	2001–02 (provision)	£000 2000–01 (outturn)
49	126	123

Department of Trade and Industry

Introduction

1. The Department of Trade and Industry has two Requests for Resources: RfR1 Increasing UK Competitiveness and RfR2 Increasing Scientific excellence in the UK and Maximising its Contribution to Society.

RfR1: Increasing UK Competitiveness

2. This Request for Resources provides for the promotion of enterprise, innovation and increased productivity delivered through market solutions designed to meet market imperfections: promotion of strong, fair and competitive markets at home and abroad including developing fair and effective legal and regulatory frameworks; support for energy-related activities including regulation, security, civil-emergency planning, environmental remediation and support for new and sustainable energy sources; the efficient management and discharge of liabilities (mainly nuclear and coal) falling to the Department; payments to other Government Departments and grants and grants-in-aid relation to the above objectives; financial assistance to public corporations.

RfR2: Increasing Scientific Excellence in the UK and Maximising its contribution to Society

3. This Request for Resource provides grant in aid to the seven science Research Councils—Biotechnology and Biological Sciences Research Council (£241,510,000); Economic and Social Research Council (£82,963,000); Engineering and Physical Sciences Research Council (£468,361,000); Medical Research Council (£371,136,000); Natural Environment Research Council (£201,720,000); Particle Physics and Astronomy Research Council (£223,026,000); and the Council for the Central Laboratory of the Research Councils (9,677,000), including the UK's subscriptions to international organisations in their fields of activity; Research Council's Pension Scheme; grants in aid to other scientific bodies (the Royal Society and the Royal Academy of Engineering); Nuclear Fusion and grants for other sundry scientific services including the University Challenge Fund, the Joint Infrastructure Fund and the Cambridge/MIT Institute and administration costs of the Office of Science and Technology.

4. A detailed analysis of appropriations in aid of these Requests for Resources and related income and Consolidated Fund extra receipts can be found below.

5. A number of grants in aid and international subscriptions in excess of £1 million are borne by these Requests for Resources. For RfR1 grants in aid are provided to the Advisory, Conciliation and Arbitration Service; The National Association of Citizen's Advice Bureaux; Citizen's Advice Scotland; the National Consumer Council; the Gas and Electricity Consumer Council; the Consumer Council for Postal Services; the Design Council, the Competition Commission; the Coal Authority; the eight Regional Development Agencies and the London Development Agency; and the United Kingdom Atomic Energy Authority. For RfR1 relevant international subscriptions are the European Space Agency; World Trade Organisation; the International Telecommunications Union; The Universal Postal Union; the International Atomic Energy Agency; and the organisation for the Prohibition of Chemical Weapons. For RfR2 relevant international subscriptions are paid to the Institute Laue-Langevin and European Synchrotron Radiation Facility, (by EPSRC), International Agency for Research on Cancer, Human Frontier Science Programme, European Molecular Biology Conference and European Molecular Laboratory (by MRC); European Organisation for Nuclear Research, European Incoherent Scatter Facility, European Space Agency and Anglo Australian Telescope (by PPARC), and European Science Foundation (by EPSRC, MRC and PPARC).

6. A breakdown of the resource estimate for 2002–03 by individual function is given in Annex C1 of "The Government's Expenditure Plans 2002–03" (CM 5416).

7. DTI will issue overall resource-based budgets and make payments of grant-in-aid to the Regional Development Agencies (RDAs). DTLR, DfES, DEFRA and BTI will contribute by supplying resources which DTI will appropriate in aid. DTI will manage the resources centrally, with payments to RDAs being authorised and certified by the Government Offices for the Regions (GOs). The eight RDAs (excluding London) are currently expected to receive £80,796,000 of receipts from the private sector and local authorities. They are entitled to use receipts of up to a total of £216,955,000. Receipts over and above that level will be treated as appropriations in aid, for which Parliamentary approval will be needed, or surrendered to the Consolidated Fund as extra receipts.
8. Details of contingent liabilities arising from statutory and non-statutory commitments for which this department takes responsibility are shown below.
9. Details of long term projects can be found at Annex C3 of "The Government's Expenditure Plans 2002-03" (CM 5416).
10. Symbols are explained in the Introduction to this booklet.

Part I	£000s
RfR1: Increasing UK Competitiveness	2,407,346,000
RfR2: Increasing Scientific Excellence in the UK and maximising its contribution to society	1,880,384,000
Total net resource requirement	4,287,730,000
Net cash requirement	4,320,794,000

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

RfR1: Increasing UK Competitiveness

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

RfR2 - Increasing Scientific Excellence in the UK and maximising its contribution to society

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

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

	Net total £	Allocated in Vote on Account £	Balance to complete £
RfR1	2,407,346,000	1,517,390,000	889,956,000
RfR2	1,880,384,000	775,002,000	1,105,382,000
Total net resource requirement	4,287,730,000	2,292,392,000	1,995,338,000
Net cash requirement	4,320,794,000	2,586,280,000	1,734,514,000

Part II: Subhead detail

		Resources					Capital	2002-03	2001-02	2000-01	
		1	2	3	4	5	6	7	8	9	10
		Admin	Other current	Grants	Gross Total	AIFA	Net Total	Capital	Non-operating AIFA	Net Total Resource	Net Total Resources
RfRI: Increasing UK Competitiveness											
		491,914	313,473	3,181,005	3,986,392	1,579,046	2,407,346	231,700	122,394	2,643,138	5,182,475
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)											
<i>Central Government Spending</i>											
*A	Promotion of enterprise innovation and increased productivity and associated running costs	136,203	473,239	139,109	748,531	527,158	221,373	70,883	3,475	143,345	604,482
B	Measures relating to individual industries and related programmes	—	10,699	—	10,699	1,282	9,417	137,205	114,839	40,953	52,287
*C	Legal and regulatory framework and markets and associated administration costs	287,491	156,644	17,024	451,223	59,152	394,371	7,298	3,429	371,745	313,615
D	Net expenses relating to coal provisions	—	76	—	76	10,133	-10,057	—	—	10,090	18,575
E	Developing Post Offices to provide access to office services information and the internet	70,000	—	—	70,000	—	70,000	—	—	70,000	—
*F	Net controlled Agencies and suppliers of Departmental Central Services	51,991	10,399	—	62,390	75,440	-13,050	12,615	—	-18,275	-15,558
*G	ERDF and other Community programmes (including Leader Network Project)	—	217	1,500	1,727	133	1,594	—	—	4,594	1,338
H	ERDF—Non-discretionary	—	3,500	—	3,500	—	3,500	—	—	3,500	11
I	Other European Community Expenditure	—	—	—	1	—	1	—	—	1	—
*J	British Trade International administration costs	32,049	—	—	32,049	—	32,049	3,769	—	34,018	27,145
<i>Support for Local Authorities</i>											
K	Promotion of Enterprise, innovation and increased productivity	—	—	127,434	127,434	127,433	1	—	—	2,089	—
SPENDING IN ANNUALLY MANAGED EXPENDITURE											
<i>Central Government Spending</i>											
	BNIH Public-Private Partnership—advisors fees and bulk transfer of pension liabilities to the PCSPS in respect of gas and electricity can-saver council staff	—	—	—	—	—	—	—	—	2,100	3,169
<i>Non-Cash Grants</i>											
L	Promotion of enterprise innovation and increased productivity and associated administration costs	4,997	5,635	—	2,132	—	2,332	—	—	1,867	2,136
M	Measures relating to individual industries and related programmes	—	19	81,790	81,809	—	81,809	—	—	86,293	106,473
N	Legal and regulatory framework and markets and associated administration costs	15,943	5,005	—	21,229	—	21,229	—	—	51,343	87,369
O	Expenses relating to nuclear provisions	—	438,967	626,998	196,032	—	196,032	—	—	309,141	431,182
P	Net expenses relating to coal provisions	—	468,768	—	468,768	—	468,768	—	—	468,067	2970,489
Q	Net controlled Agencies and suppliers of departmental central services	9,558	—	—	9,558	—	9,558	—	—	10,948	5,647
R	ERDF and other Community programmes (including Leader Network Project)	—	11	—	11	—	-11	—	—	-11	-29
S	ERDF—Non-discretionary	—	420	—	420	—	420	—	—	420	150
T	British Coal Corporation external finance	—	—	372	372	—	372	—	—	219	2,899
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS											
U	Promotion of enterprise innovation and increased productivity	—	5,306	1,534,214	1,539,908	746,404	784,504	—	—	875,643	862,876
V	Legal and regulatory framework and markets	—	—	102,344	102,344	—	102,344	—	—	68,019	49,544

Part II: Subhead detail (Continued)

Resources						Capital	2002-03	2001-02	1999-01
							Practical	Practical	Outturn
1	2	3	4	5	6	7	8	9	10
Aids	Other current	Grants	Grants Total	Aids	Net Total	Capital	Non-operating Aids	Net Total Resource	Net Total Resources
W	Expenses relating to nuclear provisions	35,078	35,078	—	35,078	—	—	35,578	38,594
X	Loans and repayments from Trading Funds	—	—	—	—	—	551	—	—
Y	ERDF and other Community programmes (including Leader Network Projects)	—	—	2,844	—2,844	—	—	—2,844	—4,786
Z	European Community Programme Receipts	—	—	362	362	—	—	611	389
AA	Petroleum licensing and royalties	23,600	23,600	23,599	1	—	—	1	567
AB	Privatisation expenses and refunds of pension adjustments	—	2,773	2,032	7	2,629	3	13,422	40,249
RR2: Increasing Scientific Excellence in the UK and maximising its contribution to society									
		10,271	43,104	1,827,010	1,880,385	1	2,880,384	198	1,448,731
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government spending</i>									
*A	Science Research Councils Pension Scheme	28,450	—	28,450	—	28,450	—	28,970	29,620
*B	The Royal Society	—	28,745	28,745	—	28,745	—	26,045	24,622
*C	The Royal Academy of Engineering	—	4,770	4,770	—	4,770	—	4,270	4,029
*D	Nuclear Fusion	14,630	—	14,630	—	14,630	—	14,930	11,818
*E	OST Initiatives	—	3,101	3,101	1	3,100	—	8,499	2,534
*F	Knowledge Transfer	—	30,001	30,001	—	30,001	—	48,282	15,750
*G	Cambridge/Massachusetts Institute of Technology	—	14,000	14,000	—	14,000	—	14,000	1,145
*H	Foresight LINK Awards	—	3,000	3,000	—	3,000	—	561	—
*I	Administration costs etc relating to the Science and Engineering Base Group	3,634	—	3,634	—	3,634	63	3,835	3,012
*J	Administration costs etc relating to the Trans-departmental Science and Technology Group	6,637	—	6,637	—	6,637	132	72	6,220
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Non-Cash items</i>									
K	Nuclear Fusion	—	—	—	—	—	—	—	—
		—	—	—	—	—	—	—	—
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
L	Biotechnology and Biological Sciences Research Council	—	241,510	241,510	—	241,510	—	213,874	211,991
M	Economic and Social Research Council	—	82,963	82,963	—	82,963	—	73,647	71,800
N	Engineering and Physical Sciences Research Council	—	468,361	468,361	—	468,361	—	444,023	413,552
O	Medical Research Council	—	371,136	371,136	—	371,136	—	356,248	319,651
P	Natural Environment Research Council	—	201,720	201,720	—	201,720	—	187,671	178,850
Q	Particle Physics and Astronomy Research Council	—	223,026	223,026	—	223,026	—	210,282	205,774
R	Council for the Central Laboratory of the Research Councils	—	9,677	9,677	—	9,677	—	9,181	4,075

Part II: Subhead detail (Continued)

Resources							Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10	
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resources	Net Total Resources	
S Council for the Central Laboratory of the Research Councils for Diamond Synchrotron										
		20,000	20,000		20,000			20,000	1,683	
T Science Research Investment Fund										
		118,937	118,937		118,937			6,163		
C Joint Infrastructure Fund										
		6,063	6,063		6,063			25,000	40,504	
V Fees payable under the Animals—Scientific Procedures Act 1986										
	175		175		175			175	199	
Total	502,185	356,577	5,008,015	1,522,047	4,287,730	231,898	122,443	4,435,995	6,725,206	

Part II: Resource to Cash reconciliation

	2002-03	2001-02	2000-01
Net Total Resources	4,287,730	4,435,995	6,725,206
Voted Capital Items			
Capital	231,898	301,315	84,680
Less Non-operating AinA	112,403	112,403	145,287
	109,456	188,912	-60,607
Accruals to cash adjustment			
Cost of capital charges	332,636	336,560	221,105
Depreciation	-18,287	-49,695	-10,426
New provisions and adjustments to previous provisions	-1,093,548	-1,320,502	-3,843,880
Other non-cash items	—	—	—
Increase (-)/Decrease (-) in stock	—	—	—
Increase (-)/Decrease (-) in debtors	-5,000	-8,400	-11,125
Increase (-)/Decrease (-) in creditors	707,807	6,546	-8,246
Use of provisions	—	1,255,334	760,706
Total accruals to cash adjustments	-76,392	206,751	-2,891,866
Excess cash to be CFERd	—	—	—
Net Cash Requirement	4,320,794	4,831,658	3,772,733

Part III: Extra Receipts payable to the Consolidated Fund

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

	2002-03		2001-02		2000-01	
	Income	Receipts	Income	Receipts	Income	Receipts
Operating income not classified as AinA	416,286	482,473	403,386	468,277	96,836	22,626,062
Non-operating income not classified as AinA	4	4	4	4	4,788	3
Other amounts collectable on behalf of the Consolidated Fund	753,493	687,525	734,017	669,126	23,162,680	520,262
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	1,169,783	1,170,002	1,137,407	1,137,407	23,264,304	23,146,327

Forecast Operating Cost Statement

	2002-03 Provision	2001-02 Provision	2000-01 Outturn
Net Administration Costs			
Request for Resources 1	396,914	399,048	374,798
Request for Resources 2	10,271	11,241	9,232
Total Net Administration costs	407,185	410,289	384,030
Net Programme Costs			
Request for Resources 1	1,608,625	1,854,863	4,722,852
Request for Resources 2	1,855,634	1,767,457	1,521,488
National Insurance Fund	222,826	204,825	177,200
Total Net Programme costs	3,687,085	3,827,145	6,805,570
TOTAL NET OPERATING COST	4,094,270	4,237,434	6,805,570
<i>of which:</i>			
NET RESOURCE OUTTURN	4,287,730	4,435,995	6,725,206
CFERs	416,286	-403,386	-96,836
Non-voted expenditure	222,826	204,825	177,200
RESOURCE BUDGET OUTTURN	3,783,907	4,124,497	6,123,945

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	4,287,730	4,435,995	6,725,206
<i>Adjustments for:</i>			
Non-voted expenditure in the OCS	222,826	204,825	177,200
Consolidated Fund Extra Receipts in the OCS	-416,286	-403,386	-96,836
Machinery of Government changes	83,612		
Net Operating Costs (Accounts)	4,094,270	4,237,434	6,805,570
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	5,591	5,591	42,832
Full resource consumption of non-departmental public bodies	-710,678	-712,098	722,410
Full resource consumption of public corporations	-207,924	12,297	88,818
Capital grants to the private sector and local authorities	334,405	346,242	-198,552
European Union income and related adjustments	235,917	206,255	148,608
Privatisation as petroleum licencing	1,101	-13,115	-40,925
Unallocated resource provision	31,225	38,891	
Other adjustments		3,000	4
Resource Budget Outturn (Budget)	3,783,907	4,124,497	6,123,945
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	3,535,383	4,033,789	2,913,758
Annually Managed Expenditure (AME)	248,524	90,708	3,210,187

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	109,456	188,912	-60,607
Other Consolidated Fund Extra Receipts			
Full capital expenditure by non-departmental public bodies	894,810	869,691	134,991
Full capital expenditure by public corporations	961,121	846,921	1,126,962
Capital grants to the private sector, LAs and PCs	217,405	254,242	250,662
Unallocated capital provision	27,651	-	
Other adjustments	3	3	36
Capital Budget Outturn	1,775,636	1,651,285	1,452,044
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	821,636	806,285	327,044
Annually Managed Expenditure (AME)	954,000	845,000	1,125,000

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

	2002–03		2001–02		2000–01		£000s
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
RfR1: Increasing UK Competitiveness							
Administration costs related to the promotion of enterprise, innovation and increased productivity	2,230	3,475	2,320	3,475	3,992		17,223
Small Firms' Loan Guarantee Scheme	8,950		10,230		9,247		
Miscellaneous banking facilities			100		—		
Innovation	4,250		4,250		3,298		
Telecommunications and posts	3,278		3,278		1,861		
Space	57		57		28		
Small Business Service	1		14,351		3,038		
Receipts from DTLR for RDAs	1,007,953		1,134,089	—	—		
Receipts from DTLR for LDAs	247,082		322,319		—		
Receipts from Department of Education and Skills for RDAs	39,443		48,869		—		
Receipts from Department of Education and Skills for LDA	7,581		7,581		—		
Receipts from British Trade International for RDAs	9,108		11,285		—		
Receipts from British Trade International for LDA	1,145		1,145		—		
Receipts from DEFRA for RDAs	62,658		74,908		—		
Exchange Risk Guarantee Scheme	55		55		—		
National Selective Assistance	479		479		—		
Aerospace and Launch Aid		114,830		104,730			124,795
Shipbuilding	748		824		1,028		
Administration costs related to legal and regulatory framework and markets	11,798	3,435	11,846	3,435	12,192		1,934
Non-nuclear receipts of a regulatory nature	12,730		19,640		12		
Work-Life Balance—Employment Relations	—		50		—		
Non-nuclear receipts directly related to creation of open markets	198		198		92		
Spectrum Efficiency	4,000		1,500		—		
Regulation of Trading Practices and Consumer Protection	109		109		10,120		
Postwatch	7,009		7,799		—		
Trade Policy	10		10		2		
External Legal Receipts	202		201		613		
Coal Subsidence & Arbitration	76		75		45		
Coal Operating Subsidy			36		—		
Ring-fenced Coal Health Liabilities	5		5		371,184		
Non-ring-fenced Coal Health Liabilities	10,052		10,085		16,391		

Analysis of Appropriations in Aid (*continued*)

	2002–03		2001–02		2000–01		£000s
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
European Community Receipts	365		611		2,038		
Petroleum Licensing	23,599		23,599		20,586		
Privatisation Receipts		3		3			35
Other receipts	3		3				
Receipts from DTLR for RDAs	277,322		277,322				
MOG Change—Transfer from DtLR							
MOG Change—Transfer from Department of Education							
MOG Change—Transfer from Home Office							
	519,551	111,643			460,791		143,987
On Vote Agencies							
Insolvency Service	30,000		30,000				
Employment Tribunals Service	105		105				
Radiocommunications	69,585	99	67,665	51			
NWML	898	10	840	10			
Other Government Departments	1,076		1,076				
	101,664	109	99,686	61			
Trading Funds							
Companies House		385		385			385
Patent Office		166		166			166
		551		551			551
Total RfR1	1,579,046*	122,294	1,920,818	112,331	578,160		144,539
Total AinA		1,701,340		2,033,149			722,699
RfR2—Increasing scientific excellence in the UK and maximising its contribution to society							
OST initiatives	1		161		10		
Administration Costs		148		148			
Total RfR2	1	148	161	148			
Total	1,579,047*	122,442**	1,920,979	122,479	578,160		144,539

Analysis of Appropriations in Aid (*continued*)**RfR1—Increasing UK Competitiveness**

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

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

RfR2—Increasing scientific excellence in the UK and maximising its contribution to society

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

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

Analysis of Consolidated Fund Extra Receipts

	£000s					
	2002-03 Provision		2001-02 Provision		2000-01 Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Nuclear—Dividend from BNFL	41,700	41,700	22,500	22,500		—
Non-nuclear	25	25	25	25	103	—
North Sea exploration	60	45	45	45	—	—
Aerospace Support—Interest on Loans	10,800	10,800	10,800	10,800	—	—
Coal Authority	4,400	4,400	4,800	4,800	3,800	—
Distribution of coal pension fund surpluses	399,895	399,895	386,995	386,995	54,093	—
Recovery of coal overpayments (concessionary fuel)	—	—	—	—	—	—
Petroleum Licensing and Royalty	637,000	637,000	637,000	637,000	595,772	—
Electricity Privatisation deferred consideration	2	2	2	2	3,524	—
Coal privatisation deferred consideration	4,400	4,400	4,800	4,800	2,061	—
Nuclear privatisation deferred consideration	1	1	1	1	17	—
AEA Technology deferred consideration	1	1	1	1	1,256	—
Surpluses generated by Net Agencies						
Radiocommunications	55,108	55,342	54,046	54,046	22,560	548
NWML						
Receipts from Trading Funds						
Companies House	1,218	1,218	1,218	1,218	1,242	—
CII—Late submission receipts	12,000	12,000	12,000	12,000	38,066	—
Patent Office	3,173	3,173	3,173	3,173	3,186	—
Promoting of enterprise, innovation and increased productivity	—	—	—	—	142	—
Consumer and Investor protection	—	—	—	—	85	—
Consumer Council for Postal Services	1	1	—	—	—	—
Employment relations	—	—	—	—	23	—
Science Research Councils	—	—	—	—	439	—
Total	1,169,784	1,170,003	1,137,406	1,137,406	23,264,357	—

Cash which may be retained to offset expenditure

	£000		
	2000–01	2001–02	2002–03
Cash which may be retained by the Department to offset expenditure in the year due to its relationship with income that has or will be appropriated in aid	722,699	2,033,149	1,701,340

Comparison of provision sought with final provision and forecast outturn.

RfR1: The provision sought for 2002–03 is 6.6% lower than the final net provision and forecast outturn for 2001–02. A breakdown of the total provision for 2002–03 is given in the Expenditure Plan Report Table C1.

RfR2: The provision sought for 2002–03 is 5.7% higher than the final net provision and forecast outturn for 2001–02. A breakdown of the total provision for 2002–03 is given in the Expenditure Plans Report Table C1.

Grants in Aid and International Subscriptions

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

For RfR1 grants in aid are provided to the Advisory, Conciliation and Arbitration Service (£36,617,000); the National Association of Citizen's Advice Bureaux (£16,876,000); Citizen's Advice Scotland (£2,800,000); the National Consumer Council (£3,200,000); the Gas and Electricity Consumer Council (£12,000,000); Postwatch (£7,010,000); the Design Council (£6,500,000); the Competition Commission (£11,844,000); the Coal Authority (£18,700,000); Regional Development Agencies following the recent Machinery of Government Changes (£1,291,079,000); and the United Kingdom Atomic Energy Authority (£35,078,000).

For RfR2 grants in aid are provided to the Biotechnology and Biological Sciences Research Council (£241,510,000), the Economic and Social Research Council (£82,963,000), the Engineering and Physical Sciences Research Council (£468,361,000), the Medical Research Council (£371,136,000), the Natural Environment Research Council (£201,720,000), the Particle Physics and Astronomy Research Council (£223,026,000), and the Council for the Central Laboratory of the Research Councils (£9,677,000).

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

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

Expenditure resting on the sole authority of the Appropriation Act

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

RfR1: Function C Subhead 2 Trade Policy and Non-Proliferation: current expenditure. BNFL Public Private Partnership--advisers' fees ■	£7,553,000
RfR1: Function C Subhead 4 Trade Policy and Non-Proliferation: international subscriptions ■	£17,766,000
RfR1: Function W Subhead 3 Grant-in-Aid to SITPRO ■	£700,000
RfR1: Function AB Subhead 2 Expenses incurred in connection with privatisation of the nuclear power, electricity and coal industries ■	£1,657,000

Departmental Expenditure Limits and Administrative Cost Limits

2002-03 Administration Costs Limits

£000s

	Gross provision	Income	Total administration costs limit
Gross administration costs limits	416,014	– 10,310	405,704
Net administration costs limits	67,521	– 67,521	—

Memorandum item: reconciliation with net admin costs

Add to above

Net admin costs in non-cash AME 34,180

Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB)

Other income not netted off gross administration cost limits 32,699

gives:

Total net admin costs 407,185

of which:

Voted in OCS 407,185

Non-voted administration departmental unallocated provision

2002–03 Departmental Expenditure Limits

£000s

	Voted	Non-Voted	Total
Resource DEL	1,072,200	2,463,083	3,535,383
Capital DEL	– 224,395	1,046,031	821,636
Total DEL	847,905	3,509,114	4,357,019

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

British Trade International

Introduction

1. This Estimate covers programme expenditure for the purpose of trade development and promotion and inward investment, including grants to the Regional Development Agencies (RDAs). The work of British Trade International is reported in its own Expenditure Plans Report, as well as the Departmental Reports of the Department of Trade and Industry, Cm 5416 and the Foreign and Commonwealth Office, Cm 5413.
2. British Trade International is a joint operation of the Foreign and Commonwealth Office and the Department of Trade and Industry. The administration costs relating to this programme expenditure in the two departments is reflected in the Main Estimates of those departments.
3. An analysis of appropriations in aid of this Request for Resources and related income for 2002–03 is included in this Main Estimate and shows comparison with the two prior years.
4. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Enhanced competitiveness of companies in the UK through overseas sales and investment; and a continuing high level of quality foreign direct investment.	92,209,000
Total net resource requirement	92,209,000
Net cash requirement	92,379,000

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

RfR1: Enhanced competitiveness of companies in the UK through overseas sales and investment; and a continuing high level of quality foreign direct investment

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

British Trade International will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	92,209,000	38,787,000	53,422,000
Total Resource Requirement	92,209,000	38,787,000	53,422,000
Net cash requirement	92,379,000	39,097,000	53,282,000

Part II: Subhead detail

					£'000				
Resources					Capital				
					2002-03	2002-03	2001-02	2000-01	
							Provision	Outturn	
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RFR 01: Enhanced competitiveness of companies in the UK through overseas sales and investment and a continuing high level of quality foreign and direct investment									
	81,363	12,930	94,293	2,084	92,209	248	—	88,527	92,742
SPENDING IN ANNUALLY MANAGED EXPENDITURE LIMITS (MEL)									
<i>Central Government spending</i>									
A Trade development and promotion and inward investment									
	81,285	12,930	94,215	2,084	92,131	248	—	88,566	92,664
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Non-cash items</i>									
B Trade development and promotion and inward investment									
	78	—	78	—	78	—	—	339	352
Total	81,363	12,930	94,293	2,084	92,209	248	—	88,527	92,742

Part II: Resource to Cash reconciliation

	2002-03	2001-02	2000-01	£'000
Net Total Resources	92,209	88,527	92,742	
Voted Capital Items				
Capital	248	248	561	
Less Non-operating AinA	—	—	—	
	248	248	561	
Accruals to cash adjustment				
Cost of capital charges	139	499	373	
Depreciation	-217	-160	-21	
New provisions and adjustments	—	—	—	
Other non-cash items	—	—	—	
Increase (+)/Decrease (-) in stock	—	—	—	
Increase (+)/Decrease (-) in debtors	—	—	—	
Increase (-)/Decrease (+) in creditors	—	—	-139	
Use of provisions	—	—	—	
Total accruals to cash adjustments	-78	339	213	
Excess cash to be CHERd	—	—	—	
Net Cash Required	92,379	89,114	93,516	

Part III: Extra Receipts payable to the Consolidated Fund

No income or receipts are expected in 2002–03. None were received in 2001–02 or 2000–01.

Forecast Operating Cost Statement

	£000		
	2002–03 provision	2001–02 provision	2000–01 Outturn
Net administration costs:			
Request for Resources 1	92,209	88,527	92,742
Total net programme costs	92,209		92,742
NET OPERATING COST	92,209	88,527	92,742
not for publication: cross-check total of above			
<i>of which:</i>			
NET RESOURCE OUTTURN	92,209	88,527	92,742
CFERs			
Non-Voted expenditure			
RESOURCE BUDGET OUTTURN⁽¹⁾	92,209	88,527	92,790

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn.

Notes to the Main Estimate**Reconciliation of resource expenditure between Estimates, accounts and budgets**

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	92,209	88,527	92,742
<i>Adjustments for:</i>			
Net Operating Costs (Accounts)	92,209	88,527	92,742
<i>Adjustments for:</i>			
Full resource consumption of non-departmental public bodies		10	48
Resource Budget Outturn (Budget)	92,209	88,537	92,790
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	92,131	88,866	93,094
Spending in Employment Opportunities Fund (EOI) ²			
DEL			
Annually Managed Expenditure (AMF)	78	- 329	- 304

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	248	248	561
Capital Budget Outturn	248	248	561
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	248	248	561

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

	2002–03 provision		2001–02 provision		2000–01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR1: Enhanced competitiveness of companies in the UK through overseas sales and investment and a continuing high level of quality foreign direct investment						
Trade development and promotion and inward investment:	2,084	—	1,147	—	2,435	—
Total AinA	*2,084	—	1,147	—	2,435	—

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

2002–03 Departmental Expenditure Limits

	Voted	Non-Voted	£000 Total
Resource DEL	92,131	—	92,131
Capital DEL	248	—	248
Total DEL	92,379	—	92,379

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision and forecast outturn

RfR1

The provision sought for 2002–03 is 17% higher than the final net provision and forecast outturn for 2001–02.

Cash which may be retained to offset expenditure

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

2002-03 £000 provision	2001-02 £000 provision	2000-01 £000 outturn
2,084	1,147	2,435

Department of Trade and Industry United Kingdom Atomic Energy Authority Superannuation Schemes

Introduction

1. This Estimate covers the payments of pensions etc to retired members or their dependants, transfer values for members transferring to other schemes and repayments of contributions under the UKAEA's superannuation schemes. The Schemes, which are the Principal Non-Industrial Superannuation Scheme (PNISS), the Combined Pension Scheme of UKAEA and the Protected Persons Superannuation Scheme (PPSS), cover employees of the UKAEA, National Radiological Protection Board and British Nuclear Fuels plc together with some employees of Nycomed Amersham and some employees of the Engineering and Physical Sciences Research Council, the Particle Physics and Astronomy Research Council and the Council for the Central Laboratory of the Research Councils who were formerly employed by the Science and Engineering Research Council and former UKAEA employees who transferred to the Ministry of Defence (Atomic Weapons Establishment (AWE)).
2. Further details of the expenditure and income contained in this Estimate can be found in "Trade and Industry, the Government's Expenditure Plans 2002-03".
3. The income consists of actual receipts and notional interest which is credited each year at rates agreed with the Government actuary. Income from contributions under the scheme is appropriated in aid.
4. The provision sought for 2002-03 is 2 per cent higher than the final net provision and forecast outturn for 2001-02 of £133.5 million. A breakdown of the forecast outturn for 2001-02 by individual function is given in the Expenditure Plans.
5. Assumptions for 2002-03 compared to current estimates for 2001-02 are:

	Number	2002-03		Number	2001-02	
		Average Pension Annual	Weekly		Average Pension Annual	Weekly
Pensioners	17,507	7,384	142	16,805	6,960	133.85
Dependants	6,899	3,081	59.25	6,468	2,904	55.85

6. Associated administrative costs are borne by the UKAEA who recover the appropriate proportion from the other participating employers.
7. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Department of Trade and Industry Effective Management of United Kingdom Atomic Energy Authority Superannuation Schemes	136,524,000
Total net resource requirement	136,524,000
Net cash requirement	136,500,000

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

RfR1: Department of Trade and Industry Effective Management of United Kingdom Atomic Energy Authority Superannuation Schemes

Payment of pensions etc to members of the United Kingdom Atomic Energy Authority's superannuation schemes and other related expenditure.

The Department of Trade and Industry will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	136,524,000	60,086,000	76,438,000
Total net resource requirement	136,524,000	60,086,000	76,438,000
Net cash requirement	136,500,000	60,075,000	76,425,000

Part II: Subhead detail

£000

Resources						Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resources	Net Total Resources
RFR 4: Department of Trade and Industry effective management of UKAEA Superannuation Schemes									
		153,624	153,624	17,100	136,524	—	—	133,525	146,542
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Central Government spending</i>									
A Payment of pension transfer values and payment of contributions									
		153,624	153,624	17,100	136,524	—	—	133,525	146,542
Total		153,624	153,624	17,100	136,524	—	—	133,525	146,542

Part II: Resource to Cash reconciliation

£000

	2002-03	2001-02	2000-01
Net Total Resources	136,524	133,525	146,542
Voted Capital Items			
Capital	—	—	—
Less Non-operating A-in-A	—	—	—
Accruals to cash adjustment			
Cost of capital charges	—	—	—
Depreciation	—	—	—
New provisions and adjustments to previous provisions	—	—	—
Other non-cash items	-24	-24	—
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	—	—	—
Increase (-)/Decrease (+) in creditors	—	—	—
Use of provisions	—	—	—
Total accruals to cash adjustments	-24	-24	—
Excess cash to be CFERd	—	—	—
Net Cash Requirement	136,500	133,501	146,542

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as Aina	—	—	—	—	2,868	—
Non-operating income not classified as Aina	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
	—	—	—	—	2,868	—

Forecast Operating Cost Statement—Revenue Account

	£000		
	2002-03 Provision	2001-02 Provision	2000-01 outturn
Total net programme costs	136,524	133,525	144,542
NET OPERATING COST	136,524	133,525	146,542
<i>of which:</i>			
NET RESOURCE OUTTURN	136,524	133,525	146,542
CFERs	—	—	—
RESOURCE BUDGET OUTTURN	136,524	133,525	146,542

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

£000

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	136,524	133,525	146,542
<i>Adjustments for:</i>			
Provision voted for earlier years	—	—	- 2,868
Net Operating Costs (Accounts)	136,524	133,525	143,674
Resource Budget Outturn (Budget)	136,524	133,525	143,674
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	--	—	—
Annually Managed Expenditure (AME)	136,524	133,525	143,674

Explanation of Accounting Officers Responsibilities

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

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

Analysis of Appropriations in Aid

	£000					
	2002-03		2001-02		2000-01	
	provision		provision		outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR1: Department of Trade and Industry Effective Management of United Kingdom Atomic Energy Authority Superannuation Schemes						
Employees' Contributions	15,600	—	15,600	—	14,393	—
Employers' Contributions	500	—	500	—	38	—
Transfer Values Received	1,000	—	1,000	—	5,069	—
Total RfR1	17,100*	—	17,100	—	19,500	—

* Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts for both employees and employers contributions and transfer values received.

Analysis of Consolidated Fund Extra Receipts

	£000					
	2002-03		2001-02		2000-01	
	provision		provision		outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
					2,828	2,868
Total	—	—	—	—	2,828	2,868

Cash which may be retained to offset expenditure

	2002-03 £000	2001-02 £000	2000-01 £000
	17,100	17,100	19,500

Export Credits Guarantee Department

Introduction

The Export Credits Guarantee Department (ECGD) has two Requests for Resources (RfRs), one covering export finance assistance and the other covering trading operations and operating costs.

Full details of all ECGD's activities are reported to Parliament in the annual Resource Accounts and published by The Stationery Office Limited as "ECGD: Annual Report and Resource Accounts".

RfR1: Export Finance Assistance

This RfR provides for the resources needed by ECGD for its programme of financial support for exporters. Statutory Authority is given under sections 1 and 3 of the Export Investment Guarantees Act 1991.

Section A provides for costs arising from interest equalisation agreements with lending banks under the fixed rate export finance scheme (FREF). This section also provides for payment of grants to lenders to meet the difference between fixed consensus rates and concessionary rates of interest offered on commercial loans for long-term projects in developing countries, or for certain long-term defence export contracts. It also incorporates the costs/savings arising from ECGD initiatives aimed at reducing or containing the cost of supporting exports, eg in connection with arrangements for capital market funding of fixed rate export finance loans and for certain interest rate swap arrangements. It also includes the mixed credit matching facility, which reduced the cost of export finance to match foreign competition in certain circumstances.

Section B provides for the funding of a refinancing programme currently undertaken by the Guaranteed Export Finance Corporation (GEFCO), a private sector company which operates on behalf of ECGD. The £1,000 million loan being provided by ECGD is greater than the net expenditure under this RfR, because the latter includes receipts of principal due under the loans. Figures shown represent the funding loan plus interest equalisation between ECGD and GEFCO, which formerly fell within Section A.

RfR2: Trading Operations

This RfR provides for resources consumed by ECGD in providing credit insurance and other support activities for exporters including cover against certain risks for new direct overseas investment and tender to contract cover/foreign exchange supplement cover. Statutory authority for these activities is given in sections 1, 2 and 3 of the Export and Investment Guarantees Act 1991. This RfR also provides the resources to be consumed by ECGD in administering the operations described in this RfR and RfR1. Capital Expenditure (Section A) is classified as expenditure within the Departmental Expenditure Limit (DEL) with the associated depreciation and capital charges (Section B) classified as Annually Managed Expenditure (AME). Administration costs (Section C) are outside both DEL and AME as they are met from trading income—Premium Income, and Moratorium Interest, (Sections D,E,F and G). Charges made to exporters for the Department's services largely anticipate the recovery of related costs. Further Trading Expenses of £11.40 million are provided for in Section D.

Section A provides for the new expenditure on fixed assets expected for 2002-03.

Section B provides for the resources consumed to maintain ECGD's fixed assets including depreciation and capital charges.

Section C provides resources for ECGD's administration costs.

Section D provides for the resources consumed in the issuance and management of credit insurance guarantees and obligations arising from debt rescheduling agreements and costs related to other forms of guarantee including cover to banks financing insured exports, indemnities for banks and surety companies issuing bonds against calls by overseas buyers, reinsurance arrangements with other countries' credit insurance organisations for jointly sourced goods and residual commitments under schemes which have been discontinued. Expenses in connection with the provision of

these services are also covered and include commission to brokers for negotiating and administering ECGD guarantees, charges by agents for information on company and market risks, legal fees and professional advice on underwriting of guarantees and assessments of risk and liability and costs arising out of action taken to avoid or minimise potential loss or recover payments under guarantees.

Section E provides for the settlement of reinsurance arrangements between ECGD and private sector export credit organisations in addition to the administration and reinsurance of risks transferred as a result of the partial privatisation of ECGD and expenses in connection with the provision of these services.

Section F provides for claims, related expenses and recoveries under contracts insuring UK companies investing overseas against certain political risks.

Section G provides for partial protection to exporters tendering in foreign currency against losses caused by exchange rate fluctuations in the period before the contract is secured. The forward exchange supplement guarantee affords similar protection after the contract is secured and where cover cannot be obtained through normal forward exchange markets.

Section H provides resources for ECGD to manage its portfolio by operating an Active Portfolio Management Risk Transfer Programme (the "APM Programme"), which is intended to mitigate risks in the ECGD portfolio (or any part of it) through arrangements with the private and/or public sectors, whether in the United Kingdom or overseas.

Symbols are explained in the Introduction to this booklet.

Part I

RfR1: Export Finance Assistance†	£ 226,632,000
RfR2: Trading Operations††	1,000
Total Net Resource Requirement	226,633,000
Net Cash Requirement	368,583,000

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

RfR1: Export Finance Assistance

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

RfR2: Trading Operations

Export credit guarantees given in the national interest or to render economic assistance to overseas countries, overseas investment insurance, tender to contract/forward exchange supplement cover, residual commitments under discontinued facilities, the cost escalation scheme subvention for the active management of the portfolio, costs of reinsurance arrangements with other countries' credit insurance organisations for jointly sourced goods trading and administration expenses, and on associated non-cash items.

The Export Credit's Guarantee Department will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Surrender £
RfR1	226,632,000	500,000,000	273,368,000
RfR2	1,000	1,500,000,000	1,499,999,000
Total net resource requirement	226,633,000	2,000,000,000	1,773,367,000
Net cash requirement	368,583,000	2,000,000,000	1,631,417,000

† In the Vote on Account RfR1 was described as 'Non-Vesting activities'.

†† In the Vote on Account RfR2 was described as 'Trading activities'.

Part II: Subhead detail

£'000

	Resources						Capital	2002–03	2001–02	2000–01
	1	2	3	4	5	6	7	8	Provision	Outturn
	Admin	Other current	Grants	Gross Total	AimA	Net Total	Capital	Non-operating AimA	Net Total Resources	Net Total Resources
RRF 01: Export Finance Assistance		197,100	175,032	367,132	140,280	226,632	1,000,000	584,200	315,124	154,909
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
A Fixed Rate Export Finance		155,000	—	155,000	103,400	51,600	—	—	112,800	54,988
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
B Financing: lending and interest equalisation		37,100	175,032	212,132	37,100	175,032	1,000,000	584,200	202,224	99,021
RRF 02: Trading Operations		158,178	107,975	266,153	266,152	1	1,160	—	15,184	40,583
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Administration—Capital Spending		—	—	—	—	—	1,160	—	—	—
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
B Administration—non-cash items		798	—	798	—	798	—	—	610	796
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
C Administration—running costs		—	30,190	30,190	—	30,190	—	—	28,828	30,318
D Export Credit Guarantees		157,380	71,200	228,580	258,452	23,372	—	—	—6,127	—65,081
E Overseas Investments Insurance		—	—	—	7,700	—7,700	—	—	—8,000	—6,611
F Active Portfolio Management		—	85	85	—	85	—	—	—	—
Reinsurance		—	—	—	—	—	—	—	127	—
Total		350,278	283,007	633,285	406,652	226,631	1,001,160	584,200	330,308	114,311

Part II: Resource to Cash reconciliation

£'000

	2002–03 provision	2001–02 provision	2000–01 outturn
Net Total Resources	226,633	330,308	114,311
Voted Capital Items			
Capital	1,001,160	1,307,546	1,690,269
Less Non-operating AimA	584,200	421,300	344,518
	416,960	886,246	1,345,751
Accruals to cash adjustment			
Cost of capital charges	332,628	—426,034	—271,737
Depreciation	—582	—400	—496
New provisions and adjustments to previous provisions	—66,300	—3,267	—70,573
Other non-cash items	111,500	210,263	—1,605
Increase (+)/Decrease (–) in stock	—	—	—
Increase (+)/Decrease (–) in debtors	—9,500	1,913	320,895
Increase (+)/Decrease (–) in creditors	22,500	—1,100	165,437
Use of provisions	—	—	—
Total accruals to cash adjustments	275,010	—218,625	—188,953
Excess cash to be CFERd		44,000	
Net Cash Requirement	368,583	1,041,929	1,271,109

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AiaA	185,039	<i>185,039</i>	157,372	<i>157,372</i>	241,045	<i>317,063</i>
Non-operating income not classified as AiaA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	44,000	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund				<i>44,000</i>		
	185,039	<i>185,039</i>	201,372	<i>201,372</i>	241,045	<i>317,063</i>

Forecast Operating Cost Statement

	£'000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Administration Costs	—	—	—
Net Programme Costs			
Request for Resources 1	41,593	157,752	58,909
Request for Resources 2	1	15,184	-185,643
National Insurance Fund	—	—	—
Total Net Programme costs	41,594	172,936	-126,734
TOTAL NET OPERATING COST	41,594	172,936	-126,734
of which:			
NET RESOURCE OUTTURN	226,633	330,308	114,311
CFERs	-185,039	-157,372	-241,045
Non-voted expenditure			
RESOURCE BUDGET OUTTURN	52,398	113,510	55,784

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	226,633	330,308	114,311
<i>Adjustments for:</i>			
Non-voiced expenditure in the OCS			
Consolidated Fund Extra Receipts in the OCS	- 185,039	- 157,372	- 241,045
Provision voted for earlier years			
Other adjustments			
Net Operating Costs (Accounts)	41,594	172,936	- 126,734
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	185,039	157,372	241,045
Voted expenditure outside the budget	- 174,235	- 216,798	- 58,527
Resource Budget Outturn (Budget)	52,398	113,510	55,784
<i>of which:</i>			
Annually Managed Expenditure (AME)	52,398	113,510	55,784

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	416,960	886,246	1,345,751
Other adjustments	- 115,900	- 749,600	- 85,124
Capital Budget Outturn	301,060	136,646	1,260,627
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	1,160	546	395
Annually Managed Expenditure (AME)	299,900	136,100	1,260,232

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

£000

	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non- operating AinA	Operating AinA	Non- operating AinA	Operating AinA	Non- operating AinA
RfR1: Export Finance Assistance						
Interest make-up receipts	140,500	—	86,600	—	84,432	—
Repayments of loan principal	—	584,200	—	421,300	—	344,518
RfR2: Trading Operations						
Premium and moratorium interest income	266,152	—	321,521	—	247,818	—
Total	406,652*	584,200**	408,121	421,300	332,250	344,518

* Amount that may be applied as operating appropriations in aid in addition to the net total, arising from the recovery of income from interest make-up receipts, premium and moratorium interest.

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

Analysis of Consolidated Fund Extra Receipts

£000

	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
RfR1: Export Finance Assistance						
Loan repayments (interest only)	176,600	176,600	157,372	157,372	91,703	91,703
RfR2: Trading Operations						
Voted Payment	—	—	44,000	44,000	—	—
Premium and moratorium interest (Income); premium, recoveries of claims payments, moratorium interest (receipts)	8,439	8,439	—	—	226,906	226,906
Total	185,039	185,039	201,372	201,372	134,305	134,305

Notes to the Main Estimate

Departmental Expenditure Limit

2002-03 Departmental Expenditure Limits

	Voted	Non-Voted	£000 Total
Resource DEL			—
Capital DEL	1,160	—	1,160
Total DEL	1,160	—	1,160

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision and forecast outturn for the previous years

RfR1

The provision sought for 2002-03 is 28 per cent lower than the final net provision and forecast outturn for 2001-02.

RfR2

The provision sought for 2002-03 is a token £1 thousand, compared to £15.2 million for 2001-02.

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

2002-03 provision £'000	2001-02 provision £'000	2000-01 outturn £'000
990,852	829,421	676,768

Actual and Contingent Liabilities

RfR1

As at 31 March 2001 contingent liabilities chargeable to the Consolidated Fund in connection with activities provided for in this RfR were under Section 1 (£6,332 million) and Section 3 (£1,793 million) of the Export and Investment Guarantees Act 1991.

RfR2

As at 31 March 2001 contingent liabilities chargeable to the Consolidated Fund in connection with activities provided for in this RfR were under Section 1 (£32,065 million), Section 2 (£991 million) and Section 3 (£2,318 million) of the Export and Investment Guarantees Act 1991.

Office of Fair Trading

Introduction

1. The Office of Fair Trading supports the Director General of Fair Trading in carrying out a wide range of statutory duties and functions in relation to the promotion of competition and the protection of consumers, including the Competition Act 1998. The Director General is responsible for initiating action against restrictive agreements, monopolies and anti competitive practices. He also advises Ministers on mergers affecting competition and on the rules of regulatory bodies in the financial services sector. The Director General takes action against trading practices including 'unfair contract terms' which adversely affect consumers and negotiates codes of practice. He administers the legislation and regulation of consumer credit and is charged with initiating court action on misleading advertising wherever other means of control have been inadequate.
2. Further details of the expenditure contained in this Estimate can be found in Cm 5419.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR1: Advancing and safeguarding the economic interests of UK consumers	50,943,000
Total net resource requirement	50,943,000
Net cash requirement	50,768,000

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

RfR1: Advancing and safeguarding the economic interests of UK consumers

administrative and operational costs, and associated non cash items.

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

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	50,943,000	15,346,000	35,597,000
Total net resource requirement	50,943,000	15,346,000	35,597,000
Net cash requirement	50,768,000	14,876,000	35,892,000

Part II: Subhead detail

£'000

	Resources						Capital	2002-03 Non- operating AinA	2001-02 Provision	2000-01 Outturn
	1	2	3	4	5	6				
	Admin	Other charges	Grants	Gross Total	AinA	Net Total	Capital	Net Total Resource	Net Total Resource	
RFR1: Advancing and safeguarding the economic interests of UK consumers	51,771	650		52,421	1,478	50,943	2,398	44,084	29,898	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Administration	48,985	650		49,635	1,478	48,157	2,398	38,997	27,592	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash Items</i>										
B Administration	2,785			2,785		2,785		5,084	2,297	
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
C Refunds	23			23		23		23	9	
Total	51,771	650		52,421	1,478	50,943	2,398	44,084	29,898	

Part II: Resource to Cash reconciliation

£'000

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Total Resources	50,943	44,084	29,898
Voted Capital Items			
Capital	2,398	2,228	3,224
Less Non-operating AinA	—	—	—
	2,398	2,228	3,224
Accruals to cash adjustment			
Cost of capital charges	- 547	- 539	- 550
Depreciation	- 2,216	- 2,225	- 1,747
New provisions and adjustments to previous provision	—	- 2,300	—
Other non-cash items	- 16	- 16	856
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	31	31	778
Increase (-)/Decrease (+) in creditors	175	175	- 9
Use of provisions	—	—	—
Total accruals to cash adjustments	- 2,573	- 4,874	- 2,384
Excess cash to be CFERd	—	—	—
Net Cash Required	50,768	41,438	30,738

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	Receipts	Income	Receipts	Income	Receipts
Operating income not classified as A in A	6,225	6,225	6,225	6,225	5,445	5,249
Non-operating income not classified as A in A	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund		—		—		—
Total	6,225	6,225	6,225	6,225	5,445	5,249

Forecast Operating Cost Statement

	£000s		
	2002-03 Provision	2001-02 Provision	2000-01 Outturn
Net administration costs:			
Request for Resources 1	50,304	41,145	29,007
Net programme costs:			
Request for Resources 1	— 5,586	— 3,286	— 4,554
Net non-voted programme costs			
Total net programme costs	5,586	3,286	— 4,554
NET OPERATING COST	44,718	37,859	24,453
<i>of which:</i>			
NET RESOURCE OUTTURN	50,943	44,084	29,898
CFERS	— 6,225	— 6,225	5,445
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN⁽¹⁾	50,931	44,072	29,926

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn.

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	50,943	44,084	29,898
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	- 6,225	- 6,225	- 5,445
Net Operating Costs (Accounts)	44,718	37,859	24,453
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	6,225	6,225	5,445
European Union income and related adjustments	11	11	37
Voted expenditure outside the budget (please specify)	- 23	- 23	- 9
Resource Budget Outturn (Budget)	50,931	44,072	29,926
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	48,168	39,008	27,629
Annually Managed Expenditure (AME)	2,763	5,064	2,297

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	2,398	2,228	3,224
Capital Budget Outturn	2,398	2,228	3,224
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	2,398	2,228	3,224

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Consolidated Fund Extra Receipts

	£'000					
	2002-03		2001-02		2000-01	
	Provision		Provision		Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Fees for administration of the Consumer Credit Act 1974 and for Mergers under the Fair Trading Act 1973	6,225	6,225	6,225	6,225	5,445	5,249
Miscellaneous receipts	-	-	-	-	-	-
Total	6,225	6,225	6,225	6,225	5,445	5,249

Departmental Expenditure Limits and Administration Costs

2002-03 Administration Costs Limits

	£000	
	Gross provision	Total administration costs limit
Gross administration costs limits	48,985	48,985
Net administration costs limits	-	-

2002-03 Departmental Expenditure Limits

	£000	
	Voted	Non-Voted
Resource DEL	48,168	-
Capital DEL	2,398	-
Total DEL	50,566	-

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision and forecast outturn for previous years

RfR1: Advancing and safeguarding the economic interests of UK consumers

The provision sought for 2002-03 of £50,943,000 is 15% higher than the final net provision and forecast outturn for 2001-02 of £44,084,000.

Analysis of Appropriations in Aid

£000

	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR1: Advancing and safeguarding the economic interests of UK consumers.						
Receipts from European Travel	11	—	11	—	11	—
Recovered Legal Costs	20	—	20	—	20	—
Recovered Common Services provided to other departments	135	—	135	—	135	—
Competition Act Notification fees	200	—	200	—	200	—
Minor Occupiers Rental Income	1,112	—	1,112	—	—	—
Total	1,478*	—	1,478	—	366	—

* Amount that may be applied as appropriations in aid in addition to the net total, arising from the recovery of legal costs, fees for common services provided to other departments and Competition Act fees.

Cash which may be retained to offset expenditure

£000s

Cash which may be retained by the department to offset expenditure due to its relationship with income that has been or will be appropriated in aid	1,478
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Office of Telecommunications

Introduction

1. The Office of Telecommunications (OFTEL) was set up on 1 July 1984 under the Telecommunications Act 1984. The Director General of Telecommunications is responsible for the enforcement of telecommunications operators' licences and for initiating their modification where appropriate, his duties include the promotion of users' interest and of effective competition. OFTEL's aim is to promote competition in order to create conditions in which telecommunications can operate most effectively to the benefit of the economy. OFTEL is funded by licence fees paid to the Government by UK telecommunication operators, and by sundry small commercial receipts.

2. Further details of the expenditure contained in this Estimate can be found in the Office of Telecommunications annual report 2001 (Cm 5416).

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

Part I

RfR1: Providing the best possible deal for telecommunications customers through effective competition	£ 759,000
Total net resource requirement	759,000
Net cash requirement	544,000

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

RfR1: Providing the best possible deal for telecommunications customers through effective competition

administrative and operational costs, support for the ombudsman scheme, cooperation with economic regulators overseas and associated non cash items.

The Office of Telecommunications will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete/Surrender £
RfR1	759,000	610,000	149,000
Total net resource requirement	759,000	610,000	149,000
Net cash requirement	544,000	720,000	- 176,000

Part II: Subhead detail

	Resources						Capital	2002–03	2001–02	2000–01
	1	2	3	4	5	6	7	8	9	10
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RFR 1: Providing the best possible deal for telecommunications customers through effective competition	18,138	600	—	18,738	17,979	759	766	—	1,357	1,251
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
* A Administration	17,157	600	—	17,757	17,979	-222	766	—	720	479
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-cash items</i>										
B Administration	981	—	—	981	—	981	—	—	537	766
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
Administration	—	—	—	—	—	—	—	—	—	6
Total	18,138	600	—	18,738	17,979	759	766	—	1,357	1,251

Part II: Resource to Cash reconciliation

	2002–03 provisions	2001–02 provisions	2000–01 outturn	£000
Net Total Resources	759	1,357	1,251	1,251
Voted Capital Items				
Capital	766	1,005	568	
Less Non-operating AinA	—	—	6	
	766	1,005	562	562
Accruals to cash adjustment				
Cost of capital charges	-126	-100	-154	
Depreciation	-821	-503	-581	
New provisions and adjustments to previous provision	-34	-34	-31	
Other non-cash items	-30	-30	-33	
Increase (+)/Decrease (-) in stock	—	—	—	
Increase (+)/Decrease (-) in debtors	55	55	329	
Increase (-)/Decrease (+) in creditors	-32	-32	-446	
Use of provisions	7	7	6	
Total accruals to cash adjustments	-981	-637	-910	-910
Excess cash to be CFERd	—	—	—	—
Net Cash Requirement	544	1,725	903	903

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AiuA	—	—	—	—	13	<i>13</i>
Non-operating income not classified as AiuA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	13	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
	—	—	—	—	26	<i>13</i>

Forecast Operating Cost Statement

	2002-03 provision	2001-02 provision	£000 2000-01 outturn
Net administration costs:			
Request for Resources 1	159	36	906
Net programme costs			
Request for Resources 1	600	1,321	332
Net non-voted programme costs	—	—	—
Total net programme costs	600	1,321	332
NET OPERATING COST	759	1,357	1,238
<i>of which:</i>			
NET RESOURCE OUTTURN	759	1,357	1,251
CFERs	—	—	~13
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN⁽¹⁾	1,610	1,350	1,226

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn.

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	759	1,357	1,238
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	—	—	-13
Net Operating Costs (Accounts)	759	1,357	1,238
<i>Adjustments for:</i>			
Gains/losses from sale of capital assets	—	—	-6
Unallocated resource provision	838	—	—
Other adjustments	7	7	6
Resource Budget Outturn (Budget)	1,610	1,350	1,226
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	636	720	466
Annually Managed Expenditure (AME)	974	630	760

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	766	1,005	562
Gains/losses from sale of capital assets	—	—	6
Unallocated capital provision	38	—	—
Capital Budget Outturn	804	1,005	568
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	804	1,005	568

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR1: Providing the best possible deal for telecommunications customers through effective competition						
Licence fees	12,977	—	15,843	—	12,380	—
Sale of publications and office equipment	2	—	10	—	5	—
Co-operation with economic regulators overseas	—	—	697	—	33	—
Competition Act notification fees	—	—	—	—	—	—
Total	*17,979	—	16,550	—	12,418	—

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

Analysis of Consolidated Fund Extra Receipts

Detail	£000					
	2002-03 provision		2001-02 provision		2000-01 provision	
	Income	Receipts	Income	Receipts	Income	Receipts
Licence fees	—	—	—	—	13	13
Miscellaneous receipts	—	—	—	—	—	—
Total	—	—	—	—	13	13

Departmental Expenditure Limit & Administration Costs Limit

2002-03 Administration Costs Limits			£000
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	18,015	—	18,015
Net administration costs limits	—	—	—

2002-03 Departmental Expenditure Limits			£000
	Voted	Non-Voted	Total
Resource DEL	222	858	636
Capital DEL	766	38	804
Total DEL	544	896	1,440

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision & forecast outturn for the previous year

The provision sought for 2002-03 is 44 per cent lower than the final net provision and forecast outturn for 2001-02 of £1.4 million.

Contingent Liabilities

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

Cash which may be retained to offset expenditure

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

	2002-03 provision	2001-02 provision	£000 2000-01 outturn
	17,979	16,550	12,418

Office of Gas and Electricity Markets

Introduction

The Office of Gas and Electricity Markets (OFGEM) comprises the Gas and Electricity Markets Authority and was set up in December 2000 under the provisions of the Utilities Act 2000. OFGEM's principal aim is to protect the interests of consumers, wherever appropriate by promoting effective competition.

Further details of the expenditure contained in Section A of this Estimate can be found in (Cm 5416).

Monies collected on behalf of the Secretary of State, either on behalf of energywatch or in respect of the Secretary of State's own costs are shown as payments to D'I.

Central expenditure is offset mainly by income from licence fees recovered from the gas and electricity industries. However, expenditure by the Technical Directorate is largely funded by receipts from those using the services provided.

Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry.	1,000
RfR2: Expenditure in connection with the Climate Change Levy	220,000
Total net resource requirement	221,000
Net cash requirement	676,000

Amounts required in the year ending 31 March 2003 for expenditure by the Office of Gas and Electricity Markets on:

RfR1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry.

Administrative and operational costs, and associated non cash items payments to DTI

RfR2: Expenditure in connection with the Climate Change Levy

The accreditation of renewable energy producers and certification of output under the Finance Act 2000

The Office of Gas and Electricity Markets will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	1,000	—	1,000
RfR2	220,000	90,000	130,000
Total net resource requirement	221,000	90,000	131,000
Net cash requirement	676,000	90,000	586,000

Part II: Subhead detail

Resources	Resources					Capital	2002–03	2001–02	2000–01	
	1	2	3	4	5					
	Admin	Other current	Grants	Gross Total	A&A	Capital	Non-operating A&A	Provision	Outturn	
					Net Total			Net Total Resource	Net Total Resources	
RFR1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry	39,825	13,275	—	53,101	51,381	1	654	75	2	1
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
★A Gas and Electricity Markets Authority: Administration	38,001	175	—	38,176	38,175	1	654	75	2	13
★B Payments to DTI	—	13,100	—	13,100	13,100	—	—	—	—	—
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash Items</i>										
C Gas and Electricity Markets Authority	1,026	—	—	1,026	1,026	—	—	—	—	—
OTHER SPENDING (OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS)										
<i>Gas and Electricity Markets Authority</i>										
										—12
RFR1: Expenditure in connection with the Climate Change Levy	220	—	—	220	220	—	—	—	350	—
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
★A Gas and Electricity Markets Authority: Administration	220	—	—	220	220	—	—	—	350	—
Total	39,247	13,275	—	52,522	52,301	221	654	75	352	1

Part II: Resource to Cash reconciliation

	2002–03	2001–02	2000–01
	Provision	Provision	Outturn
Net Total Resources	221	352	1
Voted Capital Items			
Capital	654	1,115	5,478
Less Non-operating A-in-A	75	—	48
	579	1,115	5,430
Accruals to cash adjustment			
Cost of capital charges	386	112	–264
Depreciation	–1,412	–1,299	–1,625
New provisions and adjustments to previous provisions	—	—	–1,149
Other non-cash items	–34	–34	–32
Increase (+)/Decrease (–) in stock	—	—	—
Increase (+)/Decrease (–) in debtors	—	–10,126	–4,387
Increase (–)/Decrease (+) in creditors	—	3,380	–2,190
Use of provisions	936	–1,695	—
Total accruals to cash adjustments	–124	–9,662	–9,647
Excess cash to be CFFERd	—	8,778	4,387
Net Cash Requirement	676	583	171

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	—	—	—	—	—	—
Non-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	<i>8,778</i>	—	<i>4,387</i>
Total	—	—	—	<i>8,778</i>	—	<i>4,387</i>

Forecast Operating Cost Statement

	£000		
	2002-03 Provision	2001-02 Provision	2000-01 Provision
Net administration costs			
Request for Resources 1	-12,248	-21,414	-5,327
Request for Resources 2	220	350	0
Total Net Administration costs	<u>-12,028</u>	<u>-21,064</u>	<u>-5,327</u>
Net programme costs:			
Request for Resources 1	12,249	21,416	5,328
Total net programme costs	<u>12,249</u>	<u>21,416</u>	<u>5,328</u>
TOTAL NET OPERATING COST	221	352	1
<i>of which:</i>			
NET RESOURCE OUTTURN	221	352	1
CFERs	—	—	—
RESOURCE BUDGET OUTTURN	-715	2,047	3,045

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	221	352	1
Net Operating Costs (Accounts)	221	352	1
<i>Adjustments for:</i>			
Other adjustments	– 936	1,695	3,032
Resource Budget Outturn (Budget)	715	2,047	3,045
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	221	352	3,045
Annually Managed Expenditure (AME)	936	1,695	—

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	579	1,115	5,430
Gains/losses from sale of capital assets	—	—	– 12
Capital Budget Outturn	579	1,115	5,418
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	579	1,115	5,418

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Chief Executive of Ofgem, Callum McCarthy, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

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

Analysis of Appropriations in Aid

	2002-03		2001-02		2000-01		£000
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
RfR1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry							
Licence fees:							
Electricity and Gas	34,232	—	34,085	—	45,429	—	—
Energywatch	13,100	—	22,428	—	8,207	—	—
Elexon Recharge	—	—	700	—	14,000	—	—
Income from fees and charges levied under Utilities Act (metering and quality testing)	1,600	—	1,200	—	1,764	—	—
Recovery of costs of administering the Fossil Fuel Levy	175	—	175	—	154	—	—
Receipts in respect of rent charges to external customers	3,194	—	2,200	—	863	—	—
Non-operating	—	75	—	150	—	—	48
Total	52,301*	75**	60,788	—	70,417	—	—

*Amount that may be applied as appropriations in aid in addition to the net total arising from: Regulation of monopolies and promotion of competition.

**Amount that may be applied as non-operating appropriations in aid arising from: Sale of capital assets.

Analysis of CFERs

	2002-03		2001-02		2000-01		£000
	Provision Income	Receipts	Provision Income	Receipts	Outturn Income	Receipts	
RfR1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry							
Excess cash received to cover provision for future liabilities▲	—	—	—	8,778	—	—	4,387
Total	—	—	—	8,778	—	—	4,387

Departmental Expenditure Limit and Administrative Costs Limit

2002–03 Administration Costs Limits			£000s
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	38,221	—	38,221
Net administration costs limits	—	—	—

2002–03 Departmental Expenditure Limits			£000s
	Voted	Non-Voted	Total
Resource DEL	221	—	221
Capital DEL	579	—	579
Total DEL	800	—	800

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision and forecast outturn

The net provision for 2002–03 of £221,000 is £131,000 less than the provision and forecast outturn for 2001–02 of £352,000. The full cost of economic regulation on an accruals basis is recovered from the industry.

Cash which may be retained to offset expenditure.

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

	£000		
	2002–03 Provision	2001–02 Provision	2000–01 Outturn
	52,376	60,788	70,417

Postal Services Commission

Introduction

1. The Postal Services Commission (Postcomm) was established as a non-Ministerial Government Department on 6 November 2000 under the Postal Services Act 2000.
2. The token net provision sought for 2002–03 reflects the fact that receipts from Licences are appropriated in aid rather than surrendered directly to the Consolidated Fund.
3. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	1,000
Total net resource requirement	1,000
Net cash requirement	96,000

Amounts required in the year ending 31 March 2003 for expenditure by the Postal Services Commission on:

RfR1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition

Administrative, operational costs, and associated non cash items

The **Postal Services Commission** will account for this Estimate.

	Net Total	Allocated in Vote on Account	Balance to Complete
	£	£	£
RfR1	1,000	—	1,000
Total net resource requirement	1,000		1,000
Net cash requirement	96,000		96,000

Part II: Subhead detail

£'000

	Resources						Capital	2002-03	2001-02 Provision	2000-01 Outturn
	1	2	3	4	5	6				
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non- operating AinA	Net Total Resource	Net Total Resources
RFR1: Ensuring the provision of a universal postal service at a uniform tariff protecting consumers and promoting competition										
	3,376	2,475	—	5,851	5,850	1	150	—	51	-293
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										
	3,376	2,420	—	5,796	5,850	-54	150	—	1	-293
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
B - Ensuring the provision of a universal postal service at a uniform tariff protecting consumers and promoting competition										
	—	55	—	55	—	55	—	—	50	—
Total	3,376	2,475	—	5,851	5,850	1	150	—	51	-293

Part II: Resource to Cash reconciliation

£'000

	2002-03 Provision	2001-02 Provision	2000-01 outturn	
Net Total Resources				1
Voted Capital Items				
Capital	150	750	708	
Less Non-operating A-in-A	—	—	—	
	150		750	708
Accruals to cash adjustment				
Cost of capital charges	-27	-25	—	
Depreciation	28	-25	—	
New provisions and adjustments to previous provisions	—	—	—	
Other non-cash items	—	—	—	
Increase (+)/Decrease (-) in stock	—	—	—	
Increase (+)/Decrease (-) in debtors	—	—	—	
Increase (-)/Decrease (+) in creditors	—	—	—	
Use of provisions	—	—	—	
Total accruals to cash adjustments	-55		-50	—
Excess cash to be CFERd	—		—	—
Net Cash Requirement	96		751	415

Part III: Extra Receipts payable to the Consolidated Fund

No income or receipts are expected in 2002-03 and none were received in 2001-02 or 2000-01.

Forecast Operating Cost Statement

	£000		
	2002-03 provision	2001-02 provision	2000-01 Outturn
Net administration costs:			
Request for Resources 1	3,376	3,000	2,119
Net programme costs:			
Request for Resources 1	- 3,375	- 2,949	- 2,412
Net non-voted programme costs			
Total net programme costs	- 3,375	- 2,949	- 2,412
NET OPERATING COST	1	51	- 293
<i>of which:</i>			
NET RESOURCE OUTTURN	1	51	- 293
CFERs			
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN	(1)	51	- 293

(1) See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn.

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	1	51	–293
<i>Adjustments for:</i>			
Other adjustments	1	51	–293
Net Operating Costs (Accounts)	1	51	–293
<i>Adjustments for:</i>			
Other adjustments	1	51	–293
Resource Budget Outturn (Budget)	1	51	–293
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	–54	1	–293
Annually Managed Expenditure (AME)	55	50	

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	150	750	708
Capital Budget Outturn	150	750	708
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	150	750	708
Annually Managed Expenditure (AME)			

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Chief Executive of the Commission, Martin Stanley, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

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

Analysis of Appropriations in Aid

	£000					
	2002-03		2001-02		2000-01	
	provision		provision		outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting the consumers and promoting competition						
Income from postal operators	5,850	—	5,300	—	3,478	—
Total	5,850*	—	5,300	-	3,478	—

* Amount that may be applied as Appropriations in Aid in addition to the net total arising from income from postal operations.

Departmental Expenditure Limit & Administrative Cost Limit

Administration Costs Limits	£000s		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	3,376		3,376
Net administration costs limits	—	—	—

Departmental Expenditure Limits	£000s		
	Voted	Non-Voted	Total
Resource DEL	- 54	—	- 54
Capital DEL	150	—	150
Total DEL	96	—	96

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Cash which may be retained to offset expenditure

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

2002-03 provision	2001-02 provision	2000-01 outturn
£5,850	£5,300	£3,478

Department for Environment, Food and Rural Affairs

Introduction

1. The Estimate is based on the Department's seven objectives plus two further sections covering central service administration costs and Executive Agencies and is divided into two separate Request for Resources (RfRs). The RfRs show Departmental Expenditure Limit (DEL), Annually Managed Expenditure (AME) and Other Expenditure Outside DEL and AME control groupings and differentiates between central government's own expenditure and central government support to local authorities.
2. RfR 1 contains all non-EU related expenditure, including capital expenditure, the Department's administration costs, costs of Executive Agencies, grant-in-aid, research and development, payments to agencies, and is split between discretionary and non-discretionary expenditure. RfR 2 contains reimbursable costs and offsetting EU receipts in respect of the Common Agricultural Policy and the England Rural Development Plan.
3. DEFRA has six executive agencies—the Central Science Laboratory (CSL), the Veterinary Laboratories Agency (VLA), the Veterinary Medicines Directorate (VMD), the Centre for Environment, Fisheries and Aquaculture Science (CEFAS), Pesticides Safety Directorate (PSD) and the Rural Payments Agency (RPA). CSL, VLA, VMD and CEFAS operate under net administration costs control. PSD and RPA operate under gross administration costs control.
4. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety, environmental care and animal welfare from a sustainable, efficient food chain, and to contribute to the well-being of rural and coastal communities†	1,968,190,000
RfR2: Funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible††	240,099,000
Total net resource requirement	2,208,289,000
Net cash requirement	2,230,676,000

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

RfR1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety, environmental care and animal welfare from a sustainable, efficient food chain, and to contribute to the well-being of rural and coastal communities

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

RfR2: Funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible

giving effect in the United Kingdom to the agricultural support provisions of the Common Agricultural Policy and England Rural Development Plan of the European Union including compensation payments to producer and support for agriculture in special areas

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

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	1,968,190,000	720,413,000	1,247,777,000
RfR2	240,099,000	235,087,000	5,012,000
Total net resource requirement	2,208,289,000	955,500,000	1,252,789,000
Net cash requirement	2,230,676,000	993,621,000	1,237,055,000

† In the Vote on Account RfR1 was described as 'Ensuring that consumers benefit from safe and competitively priced food produce from a sustainable and efficient food chain, protecting and improving the environment, enhancing opportunities in rural and coastal communities and promoting sustainable development and management of natural resources'.

†† In the Vote on Account RfR2 was described as 'Funding, coordination and implementation of aspects of the Common Agricultural Policy's Guarantee Section as economically, efficiently and effectively as possible'.

Part II: Subhead detail

£'000

	Resources					Capital	2002-03	2001-02	2000-01					
	1	2	3	4	5					6	7	8	9	10
	Admin	Other current	Grants	Gross Total	AiNA					Net Total	Capital	Non-operating AiNA	Net Total Resources	Net Total Resources
RTR 01: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety, environmental care and animal welfare from a sustainable, efficient food chain and to contribute to the well-being of rural and coastal communities	491,847	816,798	693,523	2,024,158	55,968	1,968,190	139,884	9,215	2,640,192	3,534,238				
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DELL)														
<i>Central Government spending</i>														
*A Protecting and improving rural, urban and global environment (RN)	14,643	163,021	22,348	200,012	516	199,496	42,548		175,962	128,842				
*B Promoting sustainable rural areas (SA)	16,672	92,885	41,710	151,267		151,267	536		118,350	101,779				
*C Promoting a sustainable, competitive and safe food supply chain (FS)	35,424	90,894	399	126,717	3,607	133,310	359	11	118,715	80,773				
D Promoting a sustainable, competitive and safe food supply chain (FS)		9,032		9,032	300	8,732			46,762	61,311				
*E Improving enjoyment of an attractive and well-managed countryside (AC)	110,853	123,617	23,623	157,703	271	157,482	30		146,399	97,147				
*F Promoting sustainable, diverse, modern and adaptable farming (AF)	31,816	25,223	556	117,605	3,660	113,939	26,729	11	192,516	165,512				
*G Promoting management and prudent use of natural resources (NR)	10,532	29,671	6,956	46,362	198	46,369	70		57,858	32,961				
*H Protecting public interest in relation to environmental impacts and health (PI)	45,955	96,903	166	143,024	1,937	141,087	510	6	168,240	128,663				
I Protecting public interest in relation to environmental impacts and health (PI)		140,579		140,579	1,633	138,946			164,682	149,382				
*J Departmental Operations	119,180	16,704	431	121,315	9,025	112,290	44,850	9,187	172,135	170,425				
*K Agencies	114,615	10,296		124,319	34,212	90,107	45,842		87,061	34,361				
*L Protecting and improving rural, urban and global environment (EN)			33,587	33,587		33,587			10,470	9,513				
*M Improving enjoyment of an attractive and well-managed countryside (AC)			9,500	9,500		9,500								
*N Promoting management and prudent use of natural resources (NR)			11,588	11,588		11,588			10,470	9,513				
SPENDING IN ANNUALLY MANAGED EXPENDITURE														
<i>Non-Cash items</i>														
O Protecting and improving rural, urban and global environment (EN)	195	3,887		4,082		4,082			31,996	6,748				
P Promoting sustainable rural areas (SA)	40			40		40			40	42				
Q Promoting a sustainable, competitive and safe food supply chain (FS)	2,541	3,638		5,679		5,679			248,586	602,693				
R Improving enjoyment of an attractive and well-managed countryside (AC)	181			181		181			172	4,683				
S Promoting sustainable, diverse, modern and adaptable farming (AF)	19,130	3,639		13,669		13,669			378	160,133				
T Promoting management and prudent use of natural resources (NR)	181			181		181			181	183				
U Protecting public interest in relation to environmental impacts and health (PI)	3,062	-2,029		1,033		1,033			278,054	1,196,260				
V Departmental Operations	41,669			41,669		41,669			35,543	32,750				
W Agencies	20,158			20,158		20,158			21,832	24,554				

Part II: Subhead detail (continued)

	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6	7	8	9	10
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
X	EC Receipts		-16,333	-16,333	643	-16,979			-16,978	-11,281
Y	Promoting and improving rural, urban and global environment (EN)		265,012	265,012		265,012			301,526	192,938
Z	Promoting sustainable rural areas (SA)		41,030	41,030		41,030	-800		16,460	19,527
AA	Promoting a sustainable, competitive and safe food supply chain (FS)		16,739	16,739	8	16,731			20,325	15,825
AB	Improving enjoyment of an attractive and well-managed countryside (AC)		223,231	223,231		223,231	-800		215,769	120,378
AC	Promoting sustainable, diverse, modern and adaptable farming (AF)		3,619	3,619	8	3,611			8,281	17,203
AD	Promoting management and prudent use of natural resources (NR)		3,274	3,274		3,274			3,288	2,083
AE	Protecting public interest in relation to environmental impacts and health (PI)		8,076	8,076	4	8,072			10,889	5,169

Part II: Subhead detail (continued)

£'000

Resources						Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating Aint	Net Total Resource	Net Total Resources
RFR (2): Funding of aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible									
—	1,943,678	703,427	2,647,105	2,407,006	240,099	158	—	555,675	199,337
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Support for Local Authorities</i>									
★A Promoting a sustainable, competitive and safe good supply chain (FS)									
—	—	300	300	—	300	—	—	1,365	—
★B Promoting sustainable, diverse, modern and adaptable farming (AF)									
—	—	300	300	—	300	—	—	1,366	—
SPENDING IN ANNUALLY MANAGED BUDGETS (AMB)									
<i>Central Government spending</i>									
C Protecting and improving rural, urban and global environment (EN)									
—	20,478	—	20,478	8	20,478	—	—	11,746	4,919
D Promoting a sustainable, competitive and safe good supply chain (FS)									
—	795,223	—	795,223	4,736	740,483	79	—	828,814	664,835
E Improving environment of an attractive and well-managed countryside (AC)									
—	20,478	—	20,478	8	20,478	—	—	11,746	4,919
F Promoting sustainable, diverse, modern and adaptable farming (AF)									
—	815,700	—	815,700	4,756	810,944	79	—	840,557	1,035,608
G Promoting management and prudent use of natural resources (NR)									
—	29,478	—	29,478	8	20,478	—	—	11,746	4,919
H Protecting public interest in relation to environmental impacts and health (PI)									
—	251,632	—	251,632	170	251,462	—	—	217,078	219,092
<i>Support for Local Authorities</i>									
I Promoting a sustainable, competitive and safe good supply chain (FS)									
—	—	3,247	3,247	—	3,247	—	—	3,361	3,872
J Promoting sustainable, diverse, modern and adaptable farming (AF)									
—	—	3,248	3,248	—	3,248	—	—	3,364	3,876
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
K Promoting a sustainable, competitive and safe food supply chain (FS)									
—	9,844	328,892	338,736	247	338,489	—	—	819,145	427,448
L Promoting sustainable, diverse, modern and adaptable farming (AF)									
—	9,845	367,040	376,885	2,286,736	1,889,261	—	—	2,052,565	2,016,062
M Protecting public interest in relation to environmental impacts and health (PI)									
—	—	—	—	160,933	160,933	—	—	147,270	138,183
N Promoting management and prudent use of natural resources (NR)									
—	—	—	—	—	—	—	—	5,327	—
O Improving environment of an attractive and well-managed countryside (AC)									
—	—	—	—	—	—	—	—	4,157	—
P Protecting and improving rural, urban and global environment (EN)									
—	—	—	—	—	—	—	—	15,981	—
Total	491,847	2,780,466	1,395,950	4,671,263	2,462,974	2,288,289	160,042	3,195,870	3,733,465

Part II**Resource to Cash reconciliation**

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Total Resources	2,208,289	3,195,870	3,733,465
Voted Capital Items			
Capital	160,642	149,267	69,817
<i>Less</i> Non-operating A-in-A	9,215	13,928	11,322
	150,827	135,339	62,815
Accruals to cash adjustment			
Cost of capital charges	– 58,573	– 46,969	– 53,798
Depreciation	– 71,156	60,177	52,198
New provisions and adjustments to previous provisions	–	– 551,273	– 1,969,034
Other non-cash items	– 345	– 310	– 475
Increase (+)/Decrease (–) in stock	760	570	– 30,454
Increase (+)/Decrease (–) in debtors	354	117,542	– 30,843
Increase (–)/Decrease (+) in creditors	520	316	72,238
Use of provisions	–	2,388,995	55,000
Total accruals to cash adjustments	– 128,440	1,848,694	– 2,154,040
Excess cash to be CFERd	–	–	–
Net Cash Requirement	2,230,676	5,179,903	1,642,240

Part III: Extra Receipts payable to the Consolidated Fund

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

£000

	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	23,208	<i>26,364</i>	41,443	<i>41,417</i>	60,698	<i>58,961</i>
Non-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	23,208	<i>26,364</i>	41,443	<i>41,417</i>	60,698	<i>58,961</i>

Forecast Operating Cost Statement

£000

	2002-03 provision	2001-02 provision	2000-01 provision
Net Administration Costs			
Request for Resources 1	451,440	514,086	410,900
Total Net Administration costs	451,440	514,086	410,900
Net Programme Costs			
Request for Resources 1	1,509,423	1,933,701	3,115,168
Request for Resources 2	224,218	706,640	146,699
Total Net Programme costs	1,733,641	2,640,341	3,261,867
TOTAL NET OPERATING COST	2,185,081	3,154,427	3,672,767
<i>of which:</i>			
NET RESOURCE OUTFURN	2,208,289	3,195,870	3,733,465
CFERs	-23,208	-41,443	-60,698
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTFURN	3,932,183	4,549,897	5,627,226

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	2,208,289	3,195,870	3,733,465
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	23,208	– 41,443	– 60,698
Net Operating Costs (Accounts)	2,185,081	3,154,427	3,672,767
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	23,208	41,443	58,908
Full resource consumption of non-departmental public bodies	250,099	234,003	242,627
Full resource consumption of public corporations	33,623	15,270	16,264
Capital grants to the private sector and local authorities	– 275,241	– 300,432	124,881
European Union income and related adjustments	2,415,252	2,580,286	2,618,660
Voted expenditure outside the budget CAP/ERDP payments	– 715,129	– 1,186,805	– 857,119
Unallocated resource provision	15,290	—	—
Other adjustments (draw down of provision)	—	11,705	—
Resource Budget Outturn (Budget)	3,923,183	4,549,897	5,627,226
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	1,596,857	2,441,703	1,429,247
Annually Managed Expenditure (AME)	2,335,326	2,108,194	4,197,979
Net Voted Capital Outturn (Estimates)			
Other Consolidated Fund Extra Receipts	150,827	135,339	62,815
Full capital expenditure by non-departmental public bodies	65,282	52,423	80,948
Full capital expenditure by public corporations	6,680	827	40,261
Capital grants to the private sector, LAs and PCs	275,141	300,332	124,781
Local authority credit approvals	42,323	33,650	30,818
Capital Budget Outturn	540,253	522,571	339,623
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	538,857	521,133	338,336
Annually Managed Expenditure (AME)	1,396	1,438	1,287

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 Provision	2001–02 Provision	2000–01 Outturn
Net Voted Capital Outturn (Estimates)	150,827	135,339	62,815
Full capital expenditure by non-departmental public bodies	65,282	52,423	80,948
Full capital expenditure by public corporations	6,680	827	40,261
Capital grants to the private sector, LAs and PCs	275,141	300,332	124,781
Local authority credit approvals	42,323	33,650	30,818
Capital Budget Outturn	540,253	522,571	339,623
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	538,857	521,133	338,336
Annually Managed Expenditure (AME)	1,396	1,438	1,287

Analysis of Appropriations-in-Aid

		£000	
		2002-03 provision	
		Operating A-in-A	Non- operating A-in-A
RfRI: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety, environmental care and animal welfare from a sustainable, efficient food chain, and to contribute to the well-being of rural and coastal communities			
Detail	Economic Category		
AZ: Protecting and improving rural, urban and global environment	Provision of goods and services (B35)	516	
CZ: Promoting a sustainable, competitive and safe food supply chain	Provision of goods and services (B35)	3,497	—
	Current transfers abroad (D20)	110	—
	Other receipts (G10, H20)		11
DZ: Promoting a sustainable, competitive and safe food supply chain	Subsidies to the private sector (C10)	300	—
EZ: Improving enjoyment of an attractive and well-managed countryside	Provision of goods and services (B35)	221	
FZ: Promoting sustainable, diverse, modern and adaptable farming	Provision of goods and services (B35)	3,546	—
	Current transfers abroad (D20)	110	
	Other receipts (G10, H20)	—	11
GZ: Promoting management and prudent use of natural resources	Provision of goods and services (B35)	198	—
HZ: Protecting public interest in relation to environmental impacts and health	Provision of goods and services (B35)	1,882	
	Current transfers abroad (D20)	55	
	Other receipts (G10, H20)	—	6
IZ: Protecting public interest in relation to environmental impacts and health	Provision of goods and services (B35)	1,184	—
	Subsidies to the private sector (C10)	449	

Analysis of Appropriations-in-Aid (continued)

		£000	
		2002-03 provision	
		Operating A-in-A	Non- operating A-in-A
JZ: Departmental Operations	Other receipts (A15)	78	
	Provision of goods and services (B35)	8,947	
	Sale of capital assets (E11)	-	9,187
KZ: Agencies	Provision of goods and services (B35)	34,212	-
XZ: EC Receipts	Capital grants to or from abroad (G50)	279	—
	Current transfers abroad (D20)	364	
AAZ: Promoting a sustainable, competitive and safe food supply chain	Subsidies to the private sector (G10)	8	—
ACZ: Promoting sustainable diverse, modern and adaptable farming	Subsidies to the private sector (G10)	8	—
AEZ: Protecting public interests in relation to environmental impacts and health	Subsidies to the private sector (G10)	4	—
Total RfRI		55,968*	9,215**

* Amount that may be applied as Appropriations-in-Aid in addition to the net total, arising from eligible expenditure on farm grants, monitoring of Arable Area Payments Scheme, the UK Register of Organic Food Standards, decommissioning of fishing vessels, EC Leader Programme and Sector Challenge Grants. Receipts resulting from projects under the Wider Markets Initiative. Receipts from sale of carcasses and vaccine relating to Brucellosis and Tuberculosis eradication. Receipts from fees and charges on Local Veterinary Inspectors' work, public enquiries on salmon, whaling and inland fisheries, certification testing, National List and plant breeders' rights, commissioned surveys, studies and advice. Repayments of ATB Landbase redundancy fund and loans, SFIA loan capital and refund of SFIA grants. Rental income from ATB Landbase and from land managed by the 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. Statutory receipts. Income from the provision of services to internal and external customers. 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 expenditure, including EC receipts. Income from legal claims. Insurance and other recoveries. Other receipts and credits. Receipts in respect of environment protection and research.

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

Analysis of Appropriations-in-Aid (continued)

		£000	
		2002–03 provision	
		Operating A-in-A	Non- operating A-in-A
RfR2: Funding aspects of the Common Agricultural Policy's Guarantee Section as economically, efficiently and effectively as possible			
Detail	Economic Category		
CZ: Protecting and improving rural, urban and global environment	Subsidies to the private section (C10)	9	—
DZ: Promoting a sustainable competitive and safer food supply chain	Provision of goods and services (B35)	5,658	—
FZ: Improving enjoyment of an attractive and well-managed countryside	Subsidies to the private section (C10)	10	—
FZ: Promoting sustainable, diverse, modern and adaptable farming	Provision of goods and services (B35)	5,659	—
	Subsidies to the private section (C10)	1,699	—
GZ: Promoting management and prudent use of natural resources	Subsidies to the private section (C10)	10	—
IZ: Protecting public interests in relation to environmental impacts	Subsidies to the private section (C10)	170	—
LZ: Promoting a sustainable, competitive and safe food supply chain	Payments to other departments (W60)	254	—
NZ: Promoting sustainable, diverse, modern and adaptable farming	Current transfers abroad (D20)	2,235,891	—
	Payments to other departments (W60)	254	—
PZ: Protecting public interests in relation to environmental impacts	Current transfers abroad (D20)	160,993	—
Total RfR2		2,412,237*	—**

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

Analysis of Extra Receipts payable to the Consolidated Fund

	£000					
	2002–03		2001–02		2000–01	
	Income	Receipts	Income	Receipts	Income	Receipts
RIR2: Funding of aspects of the Common Agricultural Policy's Guarantee section as economically, efficiently and effectively as possible						
Detail						
Sugar and isoglucose production and storage levies	23,032	25,132	37,457	37,457	56,538	56,251
Forfeited securities	126	232	2,336	2,336	1,806	1,006
EAGGF receipt in respect of intervention financing	—	950	1,579	1,553	2,214	1,564
Administration	50	50	71	71	140	140
Total	23,208	26,364	41,443	41,417	60,698	58,961

Expenditure resting on the sole authority of the Appropriation Act

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

Service	£'000s
RIR1 Payments for Committees and Tribunals ■	54

Explanation of Accounting Officer Responsibilities

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

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

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

Comparison of provision sought with final provision and forecast outturn for previous year

The total net resources sought for 2002–03 is 30% lower than the final provision and forecast outturn for 2001–02 of £3,195,870 million.

Details of 2002–03 Administration Costs Limits

	£000s		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	393,444	– 845	392,599
Net administration costs limits	98,841	96,556	2,285
<i>Add to above</i>			
Net admin costs in non-cash AME			77,557
Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB)			—
Other income not netted off gross administration cost limits			– 21,001
<i>gives:</i>			
Total net admin costs			451,440
<i>of which:</i>			
Voted in OCS			451,440
Non-voted administration departmental unallocated provision			

Details of 2002–03 Departmental Expenditure Limits

	£000s		
	Voted	Non-Voted	Total
Resource DEL	1,304,840	292,017	1,596,857
Capital DEL	449,935	88,922	538,857
Total DEL	1,754,775	380,939	2,135,714

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Cash which may be retained to offset expenditure.

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

	£000		
	2002–03 Provision	2001–02 Provision	2000–01 Outturn
	2,477,420	—	—

Forestry Commission

Introduction

1. This Estimate provides net funding for the Forestry Commission's activities in England and those functions which it carries out on a GB-wide basis. With effect from 1 April 2001, functions relating to Wales have been funded by the National Assembly for Wales. Therefore, while spending in Wales is excluded from the provisions for 2001–02 and 2002–03, it is included in the 2000–01 outturn figures. Also, from 1 December 2001, the Forestry Commission Pension Scheme was wound up and all its liabilities transferred to the Principal Civil Service Pension Scheme. Therefore, there is no provision for pension payments in the 2002–03 Estimate but they are included in the 2000–01 and 2001–02 (part) figures. The 2001–02 figures also include a one-off requirement, in Annually Managed Expenditure, of £500,000,000 to cover the payment to the Principal Civil Service Pension Scheme in respect of the transfer of liabilities.

2. The objectives of the Forestry Commission are to promote the interests of forestry, the development of afforestation including the establishment and maintenance of adequate reserves of growing trees, the production and supply of timber and other forest products, the provision of opportunities for recreation and the development of the potential of the forests it manages as a habitat for wildlife. Its activities in relation to England cover the promotion of forestry and supporting the planting, management and conservation of forests and woodlands, including the operation of the Commission's estate by its Forest Enterprise agency. The financing of its GB-wide functions cover the salary and other costs of the Commissioners and their policy and support staff, international relations, plant health and forestry research. Further information on the scale and scope of these activities can be found in the 2002 Departmental Report, (CM 5422).

3. Contributions from the European Union to grant for woodlands in the private sector are received through the UK Co-ordinating Body. In 2002–03 this is expected to be £5,500,000.

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

Part I

	£
RfR1: Protecting and expanding Britain's woodlands and increasing their value to society and the environment	102,765,000
Total net resource requirement	102,765,000
Net cash requirement	59,793,000

Amounts required in the year ending 31 March 2003 for expenditure by the **Forestry Commission** on:

RfR1: Protecting and expanding Britain's woodlands and increasing their value to society and the environment

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

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

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	102,765,000	59,737,000	43,028,000
Total net resource requirement	102,765,000	59,737,000	43,028,000
Net cash requirement	59,793,000	34,365,000	25,428,000

Part II: Subhead detail

Resources						Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RR1: Protecting and expanding Britain's woodlands and increasing their value to society and the environment									
	100,265	2,500	102,765		102,765	850		612,064	117,744
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government spending</i>									
* A Forestry: Grant in Aid									
	49,945	1,000	50,945		50,945	850		62,511	74,498
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Central Government spending</i>									
H Forestry: Grant in Aid									
	5,500		5,500		5,500			505,300	4,556
<i>Non-Cash items</i>									
C Forestry: Grant in Aid									
	44,820		44,820		44,820			42,820	40,579
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
D Forestry									
		1,500	1,500		1,500			3,453	1,689
Total	100,265	2,500	102,765		102,765	850		612,064	117,744

Part II: Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Total Resources	102,765	612,064	117,744
Voted Capital Items			
Capital	850	540	841
Less Non-operating A-in-A			
	850	540	841
Accruals to cash adjustment			
Cost of capital charges	-43,750	-41,750	-39,554
Depreciation	-1,070	-1,070	-1,025
New provisions and adjustments to previous provision			
Other non-cash items			
Increase (+)/Decrease (-) in stock	389	209	457
Increase (+)/Decrease (-) in debtors	1,162	1,147	1,459
Increase (-)/Decrease (+) in creditors	-553	-533	619
Use of provisions			
Total accruals to cash adjustments	-43,822	-41,997	39,282
Excess cash to be CFERd			
Net Cash Requirement	59,793	570,607	79,303

Part III: Extra Receipts payable to the Consolidated Fund

No income or receipts are expected in 2002-03. None were received in 2001-02 or 2000-01.

Forecast Operating Cost Statement

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net administration costs:			
Request for Resources 1	—	—	—
Net programme costs:			
Request for Resources 1	102,765	612,064	117,744
Net non-voted programme costs	—	—	—
Total net programme costs	102,765	612,064	117,744
NET OPERATING COST	102,765	612,064	117,744
<i>of which:</i>			
NET RESOURCE OUTTURN	102,765	612,064	117,744
CFERs	—	—	—
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN⁽¹⁾	103,918	611,284	121,517

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	102,765	612,064	117,744
<i>Adjustments for:</i>			
Net Operating Costs (Accounts)	102,765	612,064	117,744
<i>Adjustments for:</i>			
Full resource consumption of public corporations	- 4,347	- 4,080	- 783
Voted expenditure outside the budget (EU receipts received through the UK Co-ordinating body)	5,500	3,300	4,556
Resource Budget Outturn (Budget)	103,918	611,284	121,517
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	53,598	65,164	76,382
Annually Managed Expenditure (AME)	50,320	546,120	45,135

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	850	540	841
Full capital expenditure by public corporations	6,400	5,033	4,278
Capital Budget Outturn	7,250	5,573	5,119
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	7,250	5,573	5,119

Explanation of Accounting Officer Responsibilities

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

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

2002–03 Departmental Expenditure Limits

			£000s
	Voted	Non-Voted	Total
Resource DEL	50,945	2,653	53,598
Capital DEL	850	6,400	7,250
Total DEL	51,795	9,053	60,848

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Office of Water Services

Introduction

1. This Estimate provides for the funding of the Office of Water Services. The Department is headed by the Director General of Water Services who is responsible for ensuring that water and sewerage companies properly carry out their functions and can finance them. Subject to that he must protect customers, promote economy and efficiency and facilitate competition.
2. OFWAT is financed through licence fees received from the water and sewerage companies and is subject to cost controls. Further details of the expenditure contained in RfR1 Section A of this Estimate can be found in the Department for Environment, Food and Rural Affairs Annual Report 2002 (Cm 5422).
3. The provision of £35,000 is sought for 2002–03 it is required to cover part of the pension costs of the former Director General of the Office of Water Services that cannot be charged to the water industry. The provision sought reflects the Appropriations in Aid of receipt from fees levied by the utility regulator.
4. Symbols are explained in the Introduction to this booklet.

Part I

R/R1: Regulation of the Water Industry	£ 1,000
Total net resource requirement	1,000
Net cash requirement	35,000

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

R/R1: Regulation of the Water Industry

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

The Office of Water Services will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete/Surrender £
R/R1	1,000	16,000	- 15,000
Net cash requirement	35,000	16,000	19,000

Part II: Subhead detail

Resources						Capital		£000		
						2002-03	2001-02	2000-01		
							Provision	Outturn		
1	2	3	4	5	6	7	8	9	10	
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources	
RRI: Regulation of the Water Industry										
11,341	525	15	11,881	11,880	1	535	—	1	1	
SPENDING IN ANNUALLY MANAGED EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Office of Water Services										
11,341	—	—	11,341	11,880	-539	535	—	-299	-203	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
B Office of Water Services										
—	525	15	540	—	540	—	—	100	296	
Total	11,341	525	15	11,881	11,880	1	535	—	1	1

Part II: Resource to Cash reconciliation

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Total Resources	1	1	1
Voted Capital Items			
Capital	535	600	98
Less Non-operating A-in-A	—	—	—
	535	600	98
Accruals to cash adjustment			
Cost of capital charges	-16	26	-13
Depreciation	555	-325	-297
New provisions and adjustments to previous provisions	-15	-15	-12
Other non-cash items	-14	-14	—
Increase (-)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	—	—	—
Increase (-)/Decrease (+) in creditors	39	-266	400
Use of provisions	—	—	—
Total accruals to cash adjustments	-501	-566	104
Excess cash to be CFFRd	—	—	—
Net Cash Requirement	35	35	203

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	20	<i>20</i>	730	<i>730</i>	637	<i>637</i>
Non-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	280	<i>280</i>
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	20	<i>20</i>	730	<i>730</i>	917	<i>917</i>

Forecast Operating Cost Statement

	£000		
	2002-03 Provision	2001-02 Provision	2000-01 Outturn
Net administration costs			
Request for Resources 1	- 539	- 299	- 295
Net programme costs:			
Request for Resources 1	520	- 429	- 341
NET OPERATING COST	- 19	- 729	- 636
<i>of which:</i>			
NET RESOURCE OUTTURN	1	1	1
CFERs	- 20	- 730	- 637
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN ⁽¹⁾	- 19	- 729	- 636

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn

Notes to the Main Estimate**Reconciliation of resource expenditure between Estimates, accounts and budgets**

£000

	2002-03 Provision	2001-02 Provision	2000-01 Outturn
Net Resource Outturn (Estimates)	1	1	1
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	- 1	- 730	- 637
Net Operating Costs (Accounts)	- 19	- 729	- 636
Resource Budget Outturn (Budget)	- 19	- 729	- 636
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	- 559	- 1,029	932
Annually Managed Expenditure (AME)	540	300	296

Reconciliation of capital expenditure between Estimates and Budgets

£000

	2002-03 Provision	2001-02 Provision	2000-01 Provision
Net Voted Capital Outturn (Estimates)	535	600	98
Capital Budget Outturn	535	600	98
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	535	600	98
Annually Managed Expenditure (AME)	—	—	—

Explanation of Accounting Officer Responsibilities

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

Analysis of Appropriations in Aid

	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR1: Regulation of the Water Industry						
Licence Fees	11,880	—	11,900	—	10,915	—
Total Appropriations in Aid	11,880*	—	11,900	—	10,915	—

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

DEL and Administration Costs Limits

2002-03 Administration Costs Limits	£000s		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	11,341	—	11,341
Memorandum item: reconciliation with net admin costs			
<i>Add to above</i>			
Net admin costs in non-cash AME			—
Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB)			—
Other income not netted off gross administration cost limits			- 11,880
<i>gives:</i>			
Total net admin costs			- 539
<i>of which:</i>			
Voted in OCS			- 539
Non-voted administration departmental unallocated provision			—
2002-03 Departmental Expenditure Limits			
	Voted	Non-Voted	£000s Total
Resource DEL	- 539	- 20	- 559
Capital DEL	535	—	535
Total DEL	- 4	- 20	- 24

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Department for Culture, Media and Sport

Introduction

This Estimate covers grant-in-aid and grant expenditure by the Department for Culture, Media and Sport on support to museums, galleries and libraries; arts, sport, historic buildings, monuments and sites, tourism, broadcasting and media, gambling, licensing and horseracing; expenditure on the administration of the Department, on research and on the National Lottery Commission (all RfR1); and payments to the British Broadcasting Corporation (BBC) to finance television and sound broadcasting within the United Kingdom (RfR2).

2. Details of expenditure, including grants-in-aid, are contained in Chapters 2 and 3 of the Department for Culture, Media and Sport Annual Report 2002 (Cm 5423).

3. The Net total resources sought under RfR1 for 2002–03 are 3.6 per cent higher than the final provision and 10.7 per cent higher than the forecast outturn for 2001–02. The net total resources sought under RfR2 for 2002–03 are 2.4 per cent higher than the final provision and forecast outturn for 2001–02.

4. Indemnities have been granted by the Secretary of State for Culture, Media and Sport under the National Heritage Act 1980. The maximum total indemnity value in 2002–03 is £4,388 million. A breakdown of these indemnities can be found in Chapter 2 of Cm 5423.

5. Symbols are explained in the introduction to this booklet.

Part I

	£
RfR1: Improving the quality of life through cultural and sporting activities	1,229,333,000
RfR2: Broadening access to a rich and varied cultural and sporting life through home broadcasting	2,254,884,000
Total net resource requirement	3,484,217,000
Net cash requirement	3,478,787,000

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

RfR1: Improving the quality of life through cultural and sporting activities

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

RfR2: Broadening access to a rich and varied cultural and sporting life through home broadcasting

Payments to the British Broadcasting Corporation for home broadcasting; and associated non-cash items.

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

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	1,229,333,000	500,123,000	729,210,000
RfR2	2,254,884,000	988,889,000	1,265,995,000
Total resource requirement	3,484,217,000	1,489,012,000	1,995,205,000
Net cash requirement	3,478,787,000	1,488,290,000	1,990,497,000

Part II: Subhead detail

£000

	Resources							2002-03	2001-02	2000-01
	1	2	3	4	5	6 Capital	7	8	9	10
	Admin	Other current	Grants	Gross Total	AA/A	Net Total	Capital	Non-operating AA/A	Net Total Resource	Net Total Resources
B22: Improving the quality of life through cultural and sporting activities	42,900	144,846	1,082,943	1,240,698	11,305	1,229,333	2,368	—	1,149,363	980,846
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Museums, galleries and libraries	—	150	—	150	5	145	—	—	128	115
*B Arts	—	818	—	818	2	816	200	—	697	595
*C Sport	—	900	4,200	5,100	—	5,100	—	—	4,122	328
*D Historic buildings, monuments and sites	—	1,708	1,219	2,927	30	2,897	—	—	2,336	2,724
*E Listed places of worship scheme	—	5,000	—	5,000	—	5,000	—	—	1,000	—
*F The Royal Parks	4,125	22,251	—	26,376	3,550	22,520	1,140	—	21,020	22,075
*G Tourism	—	63	—	63	—	63	—	—	63	95
A1 Broadcasting and media	—	87,454	393	87,847	987	82,860	—	—	78,460	77,510
A1 Administration and research	31,071	901	—	31,972	248	31,724	1,028	—	33,332	21,794
A1 National Lottery Commission	—	—	—	—	4,941	4,941	—	—	4,993	5,016
*K Gambling, licensing and horseracing	—	—	—	—	1,296	1,296	—	—	1,266	—
*L Queen's Golden Jubilee	—	—	3,601	3,601	—	3,601	—	—	3,061	1
J Culture, Culture	—	—	—	—	—	—	—	—	4,051	895
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash/Items</i>										
M The Royal Parks	4,739	—	—	4,739	—	4,739	—	—	4,739	4,285
N Administration and research	2,974	—	—	2,974	—	2,974	—	—	2,263	865
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
O Museums, galleries and libraries	—	—	387,398	387,398	—	387,398	—	—	322,832	333,690
P Arts	—	—	295,405	295,405	—	295,405	—	—	252,433	238,179
Q Sport	—	—	101,800	101,800	—	101,800	—	—	65,707	52,013
R Historic buildings, monuments and sites	—	—	144,929	144,929	—	144,929	—	—	138,090	146,761
*S The Royal Parks	—	—	275	275	—	275	—	—	343	203
T Listed places of worship scheme	—	—	30,000	30,000	—	30,000	—	—	10,000	—
U Tourism	—	—	71,700	71,700	—	71,700	—	—	66,600	47,088
V Broadcasting and media	—	—	28,581	28,581	—	28,581	—	—	25,201	25,961
W National Lottery Commission	—	—	4,942	4,942	—	4,942	—	—	4,994	5,016
X Gambling, licensing and horseracing	—	—	3,901	3,901	—	3,901	—	—	3,691	1
Y Spaces for Sport and Art	—	—	—	—	—	—	—	—	60,000	13

Part II: Subhead detail (contd)

	Resources			Capital			2002-03 Non- operating As&A	2001-02	2000-01
	1	2	3	4	5	6		7	Provision
	Admin	Other current	Capital	Gross Total	As&A	Net Total	Capital	Net Total Resources	Net Total Resources
RK2: Broadcasting access to a rich and varied cultural and sporting life through home broadcasting									
	—	—	2,254,884	2,254,884	—	2,254,884	—	2,202,730	2,086,326
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
A: Home broadcasting			2,254,884	2,254,884		2,254,884		2,202,730	2,086,326
Total	42,909	114,846	3,337,827	3,498,582	11,368	3,484,217	2,368	3,381,093	3,067,172

Part II: Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Total Resources	3,484,217	3,352,093	3,067,172
Voted Capital Items			
Capital	2,368	5,508	4,695
Less Non-operating A-in-A	—	—	13,461
	2,368	5,508	- 8,766
Accruals to cash adjustment			
Cost of capital charges	- 3,573	- 2,968	- 2,424
Depreciation	- 4,144	- 4,038	- 2,439
New provisions and adjustments to previous provisions	4	4	13
Other non-cash items	- 85	- 85	- 85
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	—	—	- 140
Increase (-)/Decrease (+) in creditors	—	—	147,347
Use of provisions	—	—	—
Total accruals to cash adjustments	- 7,798	- 7,087	142,272
Excess cash to be CFERd	—	—	—
Net Cash Requirement	3,478,787	3,350,514	3,200,678

Part III: Extra Receipts payable to the Consolidated Fund

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

	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	2,255,881	—	2,170,722	<i>2,165,522</i>	2,097,889	<i>2,071,534</i>
Non-operating income not classified as A in A	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	2,255,881	—	2,170,722	<i>2,165,522</i>	2,097,889	<i>2,071,534</i>

Forecast Operating Cost Statement

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Administration Costs			
Request for Resources 1	42,661	42,169	35,519
Net Programme Costs			
Request for Resources 1	1,185,800	1,106,322	943,753
Request for Resources 2	- 125	32,880	149
Total Net Programme costs	1,185,675	1,139,202	943,604
TOTAL NET OPERATING COST	1,228,336	1,181,371	979,123
<i>of which:</i>			
NET RESOURCE OUTTURN	3,484,217	3,352,093	3,067,172
CFERs	- 2,255,881	- 2,170,722	- 2,088,049
Non-voted expenditure			
RESOURCE BUDGET OUTTURN	2,206,897	2,132,521	1,865,041

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

£000s

	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	3,484,217	3,352,093	3,067,172
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	-2,255,881	-2,170,722	-2,088,049
Net Operating Costs (Accounts)	1,228,336	1,181,371	979,123
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	2,255,881	2,170,722	2,088,049
Full resource consumption of non-departmental public bodies	158,633	150,614	122,795
Full resource consumption of public corporations	-26,599	-12,999	-29,696
Capital grants to the private sector and local authorities	54,500	-95,619	-16,504
European Union income and related adjustments	6,000	6,000	6,000
Voted expenditure outside the budget	-2,254,884	-2,202,730	-2,086,326
Unallocated resource provision	4,830	362	---
Other adjustments	889,200	934,800	801,600
Resource Budget Outturn (Budget)	2,206,897	2,132,521	1,865,041
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	1,160,157	1,040,373	947,472
Annually Managed Expenditure (AME)	1,046,740	1,092,148	917,569

Reconciliation of capital expenditure between Estimates and Budgets

£000

	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	2,368	5,508	-8,766
Other Consolidated Fund Extra Receipts	—	—	-9,840
Full capital expenditure by non-departmental public bodies	20,595	15,633	16,788
Full capital expenditure by public corporations	137,938	170,216	140,741
Capital grants to the private sector, LAs and PCs	54,500	95,619	16,504
Local authority credit approvals	25,000	25,000	25,000
Unallocated capital provision	349	349	—
Other adjustments	1,420,800	775,200	1,063,400
Capital Budget Outturn	1,661,550	1,087,525	1,243,827
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	103,749	142,824	45,126
Annually Managed Expenditure (AME)	1,557,801	944,701	1,198,701

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

	2002–03		2001–02		2000–01		£000
	provision		provision		outturn		
	A-in-A	Non-operating A-in-A	A-in-A	Non-operating A-in-A	A-in-A	Non-operating A-in-A	
RfR1: Improving the quality of life through cultural and sporting activities							
Income from Fees & Charges	3,886	—	3,886	—	4,934	—	—
Income from licences	1,596	—	1,665	—	620	—	—
Income from other sales	7	—	7	—	28	—	—
Recovery of Costs	5,876	—	5,828	—	6,591	—	—
Transfers from other Government Departments	—	—	8,086	90	—	—	—
Income from sales of assets	—	—	—	—	—	—	8,461
Total RfR 1	*11,365	-	**19,472	90	12,173	-	8,461

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

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

Analysis of Extra Receipts Payable to the Consolidated Fund

	2002-03		2001-02		2000-01		£000
	provision Income	Receipts	provision Income	Receipts	outturn Income	Receipts	
Licence fee receipts (BBC and FLA)	2,255,018	—	2,169,859	2,169,859	2,086,484	2,060,487	
Rental income	863	—	863	863	1,081	1,081	
Income from sale of assets				—	9,878	9,878	
<i>Recovery of costs</i>				—	446	94	
Total	2,255,881		2,170,722	2,170,722	2,097,889	2,071,534	

Expenditure resting on the sole authority of the Appropriation Act

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

Cash which may be retained to offset expenditure

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

	2002–03 provision	2001–02 provision	2000–01 outturn
	11,386	19,562	20,634

Change in Accounting Policy

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

Departmental Expenditure and Administration Cost Limits

Administration Costs Limits	£000		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	35,196	—	35,196
Net administration costs limits	—	—	—
Departmental Expenditure Limits	£000		
	Voted	Non-Voted	Total
Resource DEL	152,689	1,007,468	1,160,157
Capital DEL	56,868	46,881	103,749
Total DEL	209,557	1,054,349	1,263,906

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Department for Work and Pensions

Introduction

1. This Estimate provides for expenditure on non-contributory benefits, the Employment Service and the Vaccine Damage scheme. It also provides for the cost of administration of benefit schemes in Great Britain, including the cost of other Departments which act as agents of the Department for Works and Pensions in administering various aspects of social security including payments made to the Post Office and National Girobank for the encashment of order books and girocheques. Gross expenditure includes the costs incurred by DWP in administering the benefits payable from the National Insurance Fund (Contributory). They are reimbursed from the Fund and these receipts are shown as appropriations in aid.
2. The Estimate also provides for Housing Benefit subsidies, Council Tax Benefit subsidies and payments to the National Insurance Fund which comprise of compensation in respect of statutory sick pay and statutory maternity pay. Also payments to the Social Fund which include budgeting and crisis loans, community care grants, maternity and funeral expenses, heating costs in exceptionally cold weather and winter fuel payments. The Estimate also makes provision for the sums payable to the BBC in respect of the over 75's Free TV licence scheme. In addition working capital loans to training and enterprise councils which are interest free rather than charged at a commercial rate of interest.
3. Details of expenditure contained in this Estimate and of expenditure incurred by the Social Fund are included in the Departmental Report 2002 Cm 5424.
4. Symbols are explained in the Introduction to this booklet.

Part I

	£'000
RfR1: Ensuring the best start for all children, ending child poverty in 20 years.	9,184,819,000
RfR2: Promoting work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need.	28,001,403,000
RfR3: Combating poverty and promoting security and independence in retirement for today's and tomorrow's pensioners.	18,144,989,000
RfR4: Modernising welfare delivery so as to improve the accessibility and accuracy of services.	151,884,000
RfR5: Corporate contracts, support services and administration of the European Social Fund for England.†	895,656,000
Total net resource requirement	56,378,751,000
Net cash requirement	56,223,393,000

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

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

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

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

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

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

the administration costs and benefit payments of non-contributory retirement pensions; Christmas Bonus payments to pensioners; Attendance Allowance; Disability Living Allowance; Disability Working Allowance; Income Support for the elderly; Invalid Care Allowance and vaccine damage; payments made to the BBC in respect of the over 75's

free TV licence scheme; sums payable to fund payments and loans made by the Social Fund; Grants in Aid to the Disability Rights Commission, OPRA and associated non-cash items.

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

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

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

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

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

	Net Total £'000	Allocated in Vote on Account HC 392 £'000	Balance to Complete £'000
RfR1	9,184,819,000	4,123,719,000	5,061,100,000
RfR2	28,001,403,000	12,794,309,000	15,207,094,000
RfR3	18,144,989,000	7,331,248,000	10,813,741,000
RfR4	151,884,000	99,547,000	52,337,000
RfR5	895,656,000	514,169,000	381,487,000
Total resource requirement	56,378,751,000	24,862,992,000	31,515,759,000
Net cash requirement	56,223,393,000	24,906,992,000	31,316,401,000

† In the Vote on Account RfR5 was described as Corporate contracts and support services.

Part II: Subhead detail

£'000s

	Resources						Capital	2002-03	2001-02 Provision	2000-01 Outturn
	1	2	3	4	5	6				
	Admins	Other current	Grants	Gross Total	AinA	Net Total				
7	8	9	10							
	Capital	Non- operating AinA	Net Total Resource	Net Total Resources						
RfR1: Ensuring the best start for all children, ending child poverty in 20 years										
	247,670		8,937,285	9,184,955	136	9,184,819	1,602		9,167,303	8,970,484
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Children's administration	243,889			243,889	59	243,830	1,602		282,583	245,930
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
B Children's benefits			8,946,813	8,946,813		8,946,813			8,881,512	8,771,989
<i>Non-Cash items:</i>										
C Children Non-cash items	3,781		9,525	6,547		6,547			3,208	2,565
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
D Profit/Loss on asset disposal					77	77				
RfR2: Promoting work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need										
	2,181,146	798,623	25,965,898	28,945,767	944,364	28,801,483	22,114	5,931	27,995,421	26,889,744
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Working Age Administration	1,811,820	3,472	732	1,816,024	170,763	1,645,261	17,114	930	2,147,147	2,777,777
*B Employment Programmes	327,946	745,151	273,100	1,396,197	334	1,395,863			1,369,166	1,236,262
*C Mobility administration			2,200	2,200	120	2,079			2,079	2,069
Challenge funding and similar administrative measures									182	-102
Housing benefit administration - new towns									295	307
Discretionary housing payments scheme: Admin										
<i>Support for Local Authorities</i>										
*D Employment Programmes			37,047	37,047		37,047			35,447	30,828
*E Challenge funding and similar administrative measures - Local Authorities			116,099	116,099	600	115,499			114,318	41,655
*F Housing benefit and council tax benefit administrative grants			170,900	170,900		170,900			162,305	173,893
*G Third Party Providers			1,376	1,376		1,376			2,630	
Funding for ONE pilot scheme									750	981
Discretionary housing payments scheme: Admin										2,477
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
H Severe Disability Allowance			971,780	971,780	1,341	970,439			1,020,117	1,014,208
I Industrial injury benefits			820,394	820,394	82,858	737,536			730,680	758,650
J Income support (under 60 years of age)			10,009,667	10,009,667	204,729	9,864,938			9,536,592	9,625,910
K Jobseekers allowance (income based)			2,214,628	2,214,628	770	2,213,858			2,417,884	2,435,266

Part II: Subhead detail (Continued)

£'000s

Resources	2002-03						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6	7	8	9	10
	Admin	Other current	Grants	Gross Total	AlMA	Net Total	Capital	Non-operating AlMA	Net Total Resource	Net Total Resources
L Jobseekers allowance (contribution based)			478,067	478,067	478,067					
M Job grant and ETU pilot			24,979	24,979		24,979			24,979	4,198
N Grants to independent bodies			181,088	181,088	3,685	178,403			156,731	156,322
O Employment credits			97,500	97,500		97,500			86,500	22,751
P Employment Allowances		82,134	82,134		82,134					
Discretionary housing payments: new towns									19	
Housing benefit subsidies: new towns									3,643	14,978
Support for local authorities										
C Housing benefit and council tax benefit subsidies			8,866,172	8,866,172	40	8,866,132			8,535,425	7,746,741
R Rent rebate			730,233	730,233		730,233			802,209	735,551
S HB under-occupation pilot			255	255		255			255	17
T Discretionary Housing payments scheme			20,000	20,000		20,000			14,990	
Discretionary rent allowance									5,000	20,000
Compensation payments to landlords									20	27
Non-cash items										
E Working age Non-cash items			48,235	70,715		70,715			22,791	19,699
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
V Statutory Benefits			736,000	736,000	400	735,600			686,424	663,310
W Profit/loss on asset disposals						1,637			2	1,000
Capital Grants			13,022	13,022		13,022	5,000	5,000	13,722	4,116
RBC: Combating poverty and promoting security and independence in retirement for today's and tomorrow's pensioners	283,284	8,898	17,928,827	18,319,233	172,242	18,144,989			17,701,602	16,358,409
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
* A Pensioners administration	378,404	8,000		386,404	142,047	238,357			145,740	19,428
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
B Pensions benefits			45,195	45,195		45,195			44,839	43,765
C Attendance Allowance			3,215,907	3,215,907	1,948	3,213,959			3,123,947	2,956,121
D Disability Living Allowance			6,995,960	6,995,960		6,995,960			6,870,695	6,043,578
E Invalid Care Allowance			982,059	982,059		982,059			932,302	867,401
F Income Support for the Elderly			4,274,899	4,274,899		4,274,899			4,340,428	4,095,317

Part II: Subhead detail (Continued)

£'000s

Resource	2002-03					Capital	2002-03	2001-02	2000-01
	1	2	3	4	5				
	Admin	Other current	Grants	Gross Total	AiA	Net Total	Capital	Net Total Resource	Net Total Resources
G TV licences for over 75s			336,031	336,031		336,031		366,256	305,503
<i>Non-Cash items</i>									
H	4,800		210	5,010		5,010		-991	-10,001
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
I Payments to the Social Fund			2,006,133	2,006,133		2,006,133		1,948,472	2,013,889
J OPRA (Grant in Aid)			16,364	16,364		16,364		17,149	10,786
K Disability Rights Commission (Grant in Aid)			11,275	11,275		11,275		13,664	12,051
R04: Modernising welfare delivery so as to improve the accessibility and accuracy of services									
	219,660			219,660	67,776	151,884	53,400	487,984	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government spending</i>									
*A Modernisation: administration				171,700	67,776	103,924	47,400	464,884	
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Non-Cash items</i>									
B Modernisation Non-cash items				47,960		47,960		23,100	
R05: Corporate Contracts and Support Services									
	1,446,285	1,665	136,063	1,586,013	692,287	895,656	41,764	1,076,072	247,284
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government spending</i>									
*A Corporate administration				1,478,601	592,091	886,510	41,764	1,066,776	144,135
*B European Social Fund									
*C European Social Fund payments in advance of receipts						99,000		90,000	81,430
<i>Support for Local Authorities</i>									
*D European Social Fund									
*E European Social Fund payments in advance of receipts				20,000		29,000		25,000	23,399
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Non-Cash items</i>									
F Corporate Administration Non-cash items				9,410		9,410		9,292	14,577
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
G European Social Fund						99,998		124,998	25,273
I Profit/Loss on asset disposal						-266			8,145
Total	4,482,065	809,288	53,987,273	58,277,626	1,878,876	56,376,751	118,880	56,428,382	52,465,921

Part II: Resource to Cash reconciliation

	2002-03 Provision	2001-02 Provision	2000-01 Outturn	£'000
Net Total Resources	56,378,751	56,428,413	52,465,921	
Voted Capital Items				
Capital	118,880	152,071	23,968	
<i>Less</i> Non-operating A-in-A	7,631	7,631	2,056	
	111,249	144,440	21,912	
Accruals to cash adjustment				
Cost of capital charges	- 37,655	- 11,993	1,312	
Depreciation	- 100,701	- 57,676	- 43,426	
New provisions and adjustments to previous provisions	- 28,547	- 46,784	- 79,325	
Other non-cash items	- 22,415	- 22,415	- 20,445	
Increase (+)/Decrease (-) in stock	—	—	—	
Increase (+)/Decrease (-) in debtors	50,672	41,417	270,749	
Increase (-)/Decrease (+) in creditors	- 31,117	162,983	- 380,183	
Use of provisions	4,500	4,500	7,934	
Total accruals to cash adjustments	- 266,607	70,032	- 787,506	
Excess cash to be CFERd	—	—	—	
Net Cash Requirement	56,223,393	56,642,885	51,700,327	

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	3,000	<i>3,000</i>	7,997	<i>7,997</i>	99,867	<i>96,906</i>
Non-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	15,532	<i>15,510</i>	19,722	<i>19,722</i>	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
	18,532	<i>18,510</i>	27,719	<i>27,719</i>	99,867	<i>96,906</i>

Forecast Operating Cost Statement

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Administration Costs			
Request for Resources 1	247,534	286,364	249,384
Request for Resources 2	2,009,319	2,468,739	2,996,616
Request for Resources 3	235,157	135,740	1,234
Request for Resources 4	151,884	487,984	0
Request for Resources 5	893,772	1,072,963	156,953
Total Net Administration costs	3,537,666	4,451,790	3,404,187
Net Programme Costs			
Request for Resources 1	8,937,285	8,880,970	8,721,100
Request for Resources 2	26,982,300	26,464,310	24,762,796
Request for Resources 3	16,890,507	16,531,879	15,246,606
Request for Resources 4	—	—	—
Request for Resources 5	1,884	3,109	- 557
National Insurance Fund	53,816,200	50,932,255	47,818,211
Total Net Programme costs	106,578,176	102,812,523	96,548,156
TOTAL NET OPERATING COST	110,115,842	107,264,313	99,952,343
NET RESOURCE OUTTURN	54,372,618	54,479,941	50,450,071
CFERS	- 3,000	- 7,997	- 99,867
Non-voted expenditure	55,746,224	52,792,369	49,602,139
RESOURCE BUDGET OUTTURN	111,220,602	107,953,711	100,263,600

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	56,378,751	56,428,413	52,465,921
<i>Adjustments for:</i>			
Non-voted expenditure in the OCS	55,746,224	52,792,369	49,602,139
Consolidated Fund Extra Receipts in the OCS	- 3,000	- 7,997	- 99,867
Other adjustments	- 2,006,133	- 1,948,472	- 2,015,850
Net Operating Costs (Accounts)	110,115,842	107,264,313	99,952,343
<i>Adjustments for:</i>			
Other Consolidated Fund Extra Receipts	- 22	4,675	99,867
Full resource consumption of non-departmental public bodies	4,017	4,103	- 1,150
Full resource consumption of public corporations	7,868	4,968	14,270
Capital grants to the private sector and local authorities	9,120	6,920	33,078
Gains/losses from sale of capital assets	2,002	2	- 1,908
European Union income and related adjustments	460,031	635,259	233,256
Unallocated resource provision	648,388	47,311	—
Other adjustments	- 8,404	—	—
Resource Budget Outturn (Budget)	111,220,602	107,953,711	100,263,600
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	6,892,979	7,110,559	5,252,533
Annually Managed Expenditure (AME)	104,327,623	100,843,152	94,418,101

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	111,249	144,440	21,912
Full capital expenditure by non-departmental public bodies	—	—	1,407
Full capital expenditure by public corporations	5,103	5,103	1,100
Capital grants to the private sector, LAs and PCs	8,920	6,720	25,548
Gains/losses from sale of capital assets	- 2,002	- 2	1,908
Local authority credit approvals	1,202	1,402	1,402
Unallocated capital provision	6,600	73,335	0
Other adjustments	76,109	88,338	22,472
Cross check: total above	217,654	319,336	75,749
Capital Budget Outturn	207,181	319,336	75,749
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	131,072	230,998	53,264
Spending in Employment Opportunities (EOF) (DEL)	—	—	13
Annually Managed Expenditure (AME)	76,109	88,338	22,472

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

	2002-03		2001-02		2000-01		£000s
	provision		provision		outturn		
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
Total for RFR1 to RFR5	1,878,875	7,631	3,716,844	16,460	1,686,337	2,064	

RFR1: Ensuring the best start for all children, ending child poverty in 20 years.

Services carried out by DWP on behalf of public and private sector bodies	29	--	--	--	32	--	
Receipts from the repayment of maintenance by absent parents.			49	--	49	--	
Receipts from applicants for services provided by CSA.	--		10			--	
Receipts from other Departments/Organisations for outward secondments.				--	15	--	
Receipts from staff for private telephone calls.			4		1		
Receipts from the sale of non capital items.			1				
Family Credit.	--	--	--	--	1	--	
Profit/Loss on asset disposals.	77		--	--	--	--	
Total for RFR1:	136*	--	64	--	98	--	

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

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

Analysis of Appropriations in Aid (continued)

£000s

	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RFR2: Promoting work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need.						
Receipts from the National Insurance Fund for the cost of administering National Insurance Benefits	—168,513	—	97,774	—	652,860	—
Services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public.	1,757	—	1,551	—	15,208	—
Receipts from mortgage lenders	—	—	—	—	2,117	—
Recoveries from staff for the administration cost of making attachment of earnings orders	—	—	—	—	23	—
Receipts from the sale of non capital items	—	—	1	—	—	—
Receipts from other Departments/Organisations in respect of outward secondments	492	—	9,200	—	879	—
Receipts from the Department for Education and Skills in respect of Modern Apprenticeships	—	—	—	—	—	—
Recovery of Law Costs from defendants.	—	—	—	—	1,103	—
Receipts from sub let accommodation	—	—	—	—	5,910	—
Recovery of excess programmes	10	—	10	—	18	—
General administration receipts	—	930	3,637	930	8,942	67
Rent from minor occupiers	—	—	448	—	26,408	—
New Deal for Young People	324	—	1,407	—	1,177	—
Recovery of the cost of administering allowance payments for work based learning for adults in Scotland and Wales.	—	—	1,568	—	—	—
Payments from the Department for Education and Skills	—	—	2,372,706	8,829	—	—
Repayment of temporary loans to Remploy	—	—	—	—	—	—
Mobility administration	121	—	121	—	101	—
Challenge funding and similar administrative measures	600	—	600	—	8,046	—
Receipts from staff for private telephone calls	—	—	15	—	15	—
Disability benefits						
Severe disablement allowance	1,341	—	—	—	2,217	—
Industrial injury benefits	82,858	—	—	—	39,962	—
Income support (under 60 years of age)	204,729	—	147,121	—	179,902	—

Analysis of Appropriations in Aid (continued)

	2002–03		2001–02		2000–01		£000s
	provision		provision		outturn		
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
Jobseeker's allowance (income based)	770	—	—	—	3,286	—	
Jobseeker's allowance (contribution based)	478,067	—	466,054	—	452,694	—	
Motability Grant	2,685	—	2,362	—	313	—	
Housing benefit and council tax benefit subsidies	40	—	40	—	121	—	
Statutory benefits (SSP and SMP)	400	—	876	—	612	—	
Profit/loss on asset disposals	1,657	—	2	—	—	—	
Repayment of temp loan to Remploy	—	5,001	—	5,001	—	—	
Total for RfR2	944,364*	5,931**	3,105,493	14,760	1,401,914	67	

* Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from the National Insurance Fund for the estimated cost of administering National Insurance benefits, receipts from staff for the use of outside facilities, services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public, receipts from staff for private telephone calls, recovery of law costs from defendants, receipts from sub-let accommodation, receipts from the Department for Education and Skills in respect of Modern Apprenticeships, other departments/organisations in respect of outward secondments, receipts from staff towards the cost of private use of official vehicles, receipts from mortgage lenders, recoveries from staff for the administration cost of making attachment of earnings orders, receipts from the sale of non capital items, receipts from sub let accommodation, the recovery of the cost of administering allowance payments for work based learning for adults in Scotland and Wales, rent and similar receipts, the Employment Service (ES) private mileage scheme, recovery from the EC of the costs of work on European Employment Services (EURES), the ES Revenue Generation Scheme, work undertaken on labour market issues in eastern Europe, receipts from sponsors of supported placements in the ES, receipts in respect of vending machines, receipts from Working Links, receipts from selling services under the Wider Markets Initiative, receipts from partner organisations in respect of action teams, recoveries from the European Social Fund for employment programmes; the recovery of excess payments made on ES employment measures, recoveries of payments from the Department of Social Development (Northern Ireland) towards Motability's car adaptation and administration costs, receipts from Tenth Anniversary Trust towards Motability's car adaptation costs, recoveries from authorities not achieving baseline targets set in respect of anti fraud measures, recoveries from authorities not achieving targets set in respect of extended payments, from damages payable to recipients of Statutory Sick Pay, receipts via Compensation Recovery Unit in respect of benefits paid in lieu, payments on return to work after a trade dispute made to people who would normally be excluded from Income Support because they are in full time work, payments by liable relatives, amounts collected through a court order or on a voluntary basis from relatives of Income Support claimants, receipts from the CSA of payments of maintenance from absent parents for parents with care who are in receipt of Income Support and repayment of Jobseeker's Allowance (contribution based) from the National Insurance Fund.

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

Analysis of Appropriations in Aid (continued)

	2002-03		2001-02		2000-01		£000s
	provision		provision		outturn		
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
RfR3: Combating poverty and promoting security and independence in retirement for today's and tomorrow's pensioners.							
Receipts from the National Insurance Fund for the cost of administering National Insurance Benefits	144,284	—	73,879	—	—	—	—
Services carried out by the DWP on behalf of public and private sector bodies and members of the public	3,763	—	3,765	—	—	—	—
Payments from the Department for Education and Skills.	—	—	12,172	—	—	—	—
Disability Rights Commission	—	—	—	—	354	—	—
Pensions Benefits	—	—	—	—	1	—	—
Attendance allowance	1,948	—	—	—	2,050	—	—
Disability living allowance	24,247	—	—	—	29,698	—	—
Disability Working Allowance	—	—	—	—	174	—	—
Income Support 60 plus	—	—	—	—	3,793	—	—
Total for RfR3:	174,242*	89,816**	—	—	36,070	—	—

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

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

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

	2002-03		2001-02		2000-01		£000s
	provision		provision		outturn		
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
Receipts from the National Insurance Fund for the cost of administering National Insurance Benefits	67,776	—	—	—	—	—	—
Total for RfR4:	67,776*	—	—	—	—	—	—

* Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from the National Insurance Fund for the estimated cost of administering NI benefits.

Analysis of Appropriations in Aid (*continued*)

RfRS: Corporate Contracts, support services and the administration of the European Social Fund for England.

	2002–03		2001–02		2000–01		£000s
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
Receipts from the National Insurance Fund for the cost of administering National Insurance Benefits	535,179	—	317,317	—	182,796	—	
Services carried out by the DWP on behalf of public and private sector bodies and members of the public	7,921	—	10,621	—	37,694	—	
Receipts from mortgage lenders.	—	—	1,600	—	—	—	
Receipts from staff towards the cost of private use of official vehicles	—	—	964	—	1,085	—	
Receipts from sub-let accommodation	22,849	—	23,571	—	—	—	
Receipts from staff for private telephone calls	—	—	1	—	—	—	
Recovery of law costs from defendants	—	—	1,845	—	370	—	
Receipts from other departments/organisations in respect of outward secondments	—	—	1,572	—	1,037	—	
Receipts from the sale of non capital items.	—	—	6	—	—	—	
Receipts from EU twinning funded projects	—	—	158	—	—	—	
Payments from the Department for Education and Skills	26,142	—	38,818	—	—	—	
Receipts in respect of the European Social Fund	99,998	—	124,998	—	25,273	—	
Receipts from sales of obsolete machinery, equipment, official vehicles and furniture	268	1,700	—	1,700	—	1,997	
Total for RfRS:	692,357*	1,700**	521,471	1,700	248,255	1,997	

* Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from the National Insurance Fund for the estimated cost of administering NI benefits, receipts from staff for the use of outside facilities, services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public, receipts from third parties for uninsured losses, receipts from staff for private telephone calls, recovery of law costs from defendants, receipts from sub-let accommodation, receipts from the sale of non capital items, receipts from the Department for Education and Skills in respect of Modern Apprenticeships, other departments/organisations in respect of outward secondments, receipts from staff towards the cost of private use of official vehicles, receipts from PRIME development gains, receipts in respect of the European Fast Stream, receipts from the EC to meet payment to Local Authorities and non exchequer bodies for education and training and employment projects training assisted by the European Social Fund, receipts for EU twinning funded projects, receipts from IT services to other government departments and payments from Department for Education and Skills.

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

Analysis of Consolidated Fund Extra Receipts

	£000s					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Levy on Pensions Industry collected by Occupational Pensions Regulatory Authority	10,510	10,510	14,700	14,700	—	—
Headquarters Accommodation Services	5,000	5,000	5,000	5,000	—	—
Challenge Funding Recoveries	—	—	300	300	—	—
Miscellaneous receipts	3,000	3,000	3,000	3,000	2,961	2,961
Recoveries in respect of previous Independent Living Fund scheme	2	2	2	2	—	—
Recoveries in respect of previous Rent Allowance scheme	20	20	20	20	—	—
Employment Service barter deals ●	—	—	4,697	4,697	6,018	6,018
European Social Fund extra receipts	—	—	—	—	90,888	90,888
Total	18,532	18,532	27,719	27,719	99,867	99,867

Administration Costs Limits

	£000s		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	5,033,022	- 36,349	4,996,673
Net administration costs limits	—	—	—

Departmental Expenditure Limits

	£000s		
	Voted	Non-Voted	Total
Resource DEL	5,298,572	1,594,407	6,892,979
Capital DEL	118,168	12,904	131,072
Total DEL	5,416,740	1,607,311	7,024,051

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets

Comparison of provision sought with final provision & forecast outturn

Provision sought is 0.33% lower than the final provision for 2001-02 of £55,529 million and 1.13% higher than the forecast outturn for that year of £54,720 million.

Cash which may be retained to offset expenditure

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

	£000s		
	2002-03 (Provision)	2001-02 (Provision)	2000-02 (Outturn)
	1,886,506	3,733,304	1,688,401

Grants in Aid

RfR 2 and 3 include grant in aid provision for the Occupational Pensions Regulatory Authority ♥ £16,634,000, Independent Living Fund ♥ £165,865,000, Motorability ♥ £11,547,000 and for the Disability Rights Commission ♥ £11,275,000.

Contingent liabilities

Amount £000s

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

Statutory

Non-Statutory

<p>Department for Education and Employment Ministers gave their agreement that Training and Enterprise Councils and third parties taking over TEC contracts could be offered indemnities in respect of certain liabilities that arose or continued after the contractual relationship with Government ended on 25 March 2001. The purpose of these indemnities was to give TEC Directors, or a liquidator, sufficient assurances to conclude that relationship and either return residual reserves owing to the Secretary of State, or distribute these with the Secretary of State's agreement at the earliest opportunity. For third parties, indemnities would protect them from claims relating to events prior to the novation of the contract.</p> <p>To this end, the Employment Service has agreed to offer indemnities of less than £12m in respect of Employment Service contracts with TECs, that have been novated as a result of the conclusion of Government business, in respect of repayments claimed following audit of past contract activity.</p>	12,000
<p>There is an unquantifiable liability in respect of the legal responsibility that the Secretary of State has as sole guarantor of Remploy Ltd. The liability is secured by an all monies debenture.</p>	Unquantifiable
<p>During the course of its normal business, the Employment Service frequently enters into large, sometimes long term, contracts with a wide range of private sector suppliers. The changing nature of Employment Service business, and its obligation to respond to prevailing government priorities can mean that it is occasionally in the Agency's interest to try to vary, re-negotiate or, in exceptional circumstances, cancel certain contracts. Where the Employment Service takes such action, it always does so on legal advice and so as to avoid a breach of contract. However, disputes occasionally arise which could result in the Employment Service making compensatory payments in response to legal proceedings or as part of an out of court settlement. The Employment Service considers that the disclosure of such cases in detail, particularly whilst negotiations are still in progress, could seriously prejudice the position if legal proceedings subsequently develop. There were no such contractual disputes outstanding at 31 March 2001 where a settlement had been agreed. For cases still under negotiation, the total value of outstanding claims made against the Employment Service by suppliers at the time of the balance sheet date was less than £10m, but it is not yet known whether the Employment Service will need to make any compensatory payments.</p>	10,000

Scotland Office

Introduction

1. This Estimate provides for the administration costs of the Scotland Office, the salaries of the Secretary of State for Scotland, her Minister of State, the Advocate General for Scotland, the costs of the Parliamentary Boundary Commission for Scotland and a grant to the Scottish Consolidated Fund.
2. Under the Scotland Act 1998, the authorisation of expenditure by the Scottish Executive is the responsibility of the Scottish Parliament. Details of this expenditure can be found in the publication Scotland's Budget Documents 2002–03.
3. A detailed analysis of the appropriations in aid and extra receipts payable to the Consolidated Fund can be found in the notes to this Estimate.
4. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	16,563,342,000
Total net resource requirement	16,563,342,000
Net cash requirement	16,562,902,000

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

RfR1: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government:
administration; the Parliamentary Boundary Commission for Scotland; payments of a grant to the Scottish Consolidated Fund and associated non-cash items.

Scotland Office will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	16,563,342,000	6,963,012,000	9,600,330,000
Total net resource requirement	16,563,342,000	6,963,012,000	9,600,330,000
Net cash requirement	16,562,902,000	6,962,825,000	9,600,077,000

Part II: Subhead detail

£'000

Resources						Capital	2002-03	2001-02	2002-03
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating Aina	Net Total Resources	Net Total Resources
RfR1: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government									
8,007	300	16,556,000	16,564,307	965	16,563,342	100	—	16,260,932	14,163,787
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government spending</i>									
A Scotland Office									
7,467	—	—	7,467	965	6,502	100	—	6,436	6,096
B Parliamentary Boundary Commission for Scotland									
—	300	—	300	—	300	—	—	300	123
SPENDING IN ANNUALLY-MANAGED EXPENDITURE									
<i>Non-Cash items</i>									
C Scotland Office									
540	—	—	540	—	540	—	—	517	487
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
D Grants payable to the Scottish Consolidated Fund									
—	—	16,536,000	16,536,000	—	16,555,998	—	—	18,265,279	14,097,161
Total	8,007	300	16,556,000	16,564,307	965	16,563,342	100	16,260,932	14,163,787

Part II: Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn	£000
Net Total Resources	16,563,342	16,260,932	14,103,787	
Voted Capital Items				
Capital	100	100	72	
Less Non-operating A in A	—	—	—	
	100	100	72	72
Accruals to cash adjustment				
Cost of capital charges	- 178	- 170	- 141	
Depreciation	- 362	- 347	- 346	
New provisions and adjustments to previous provisions	—	—	—	
Other non-cash items	—	—	—	
Increase (+)/Decrease (-) in stock	—	—	—	
Increase (+)/Decrease (-) in debtors	—	—	—	
Increase (-)/Decrease (+) in creditors	—	—	—	
Use of provisions	—	—	—	
Total accruals to cash adjustments	- 540	- 517	- 487	- 487
Net Cash Requirement	16,562,902	16,260,515	14,103,372	

Part III: Extra Receipts payable to the Consolidated Fund

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

	2002-03		2001-02		2000-01		£000
	Income	Receipts	Income	Receipts	Income	Receipts	
Operating income not classified as AinA	—	—	—	—	—	—	
Non-operating income not classified as AinA	—	—	—	—	—	—	
Other amounts collectable on behalf of the Consolidated Fund	42,275	42,275	24,083	24,083	42,275	42,275	
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—	
Total	42,275	42,275	24,083	24,083	42,275	42,275	

Forecast Operating Cost Statement

	2002-03		2001-02		2000-01		£000
	Provision		Provision		Outturn		
Net administration costs							
Request for Resources I	7,042		7,353		6,563		
Net programme costs							
Request for Resources I	16,556,300		16,253,579		14,097,224		
Net non-voted programme costs	—		—		—		
NET OPERATING COST		16,563,342		16,260,932		14,104,621	
<i>of which:</i>							
NET RESOURCE OUTTURN		16,563,342		16,260,932		14,103,787	
CFERs		—		—		—	
Non-voted expenditure		—		—		834	
RESOURCE BUDGET OUTTURN⁽¹⁾		7,342		7,653		7,520	

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	16,563,342	16,260,932	14,103,787
<i>Adjustments for:</i>			
Non-voted expenditure in the OCS	—	—	834
Net Operating Costs (Accounts)	16,563,342	16,260,932	14,104,621
<i>Adjustments for:</i>			
Voted expenditure outside the budget	16,556,000	- 16,253,279	- 14,097,101
Resource Budget Outturn (Budget)	7,342	7,653	7,520
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	6,802	7,136	7,033
Annually Managed Expenditure (AME)	540	517	487

Reconciliation of capital expenditure between Estimates and Budgets

			£000
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	100	100	72
Capital Budget Outturn	100	100	72
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	100	100	72

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of the Scotland Office, Mr Ian Gordon, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

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

Analysis of Appropriations in Aid

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RFR1: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government						
Rent receipts; payments for legal services	965	—	690	—	311	—
Total	965*	-	690	--	311	—

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

Analysis of Consolidated Fund Extra Receipts

	£000s					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Other income not classified as Appropriation Aid	42,275	42,275	24,083	24,083	42,275	42,275
Total	42,275	42,275	24,083	24,083	42,275	42,275

1. Sums received by the Scottish Executive which are to be paid to the Consolidated Fund and remitted by the Secretary of State.

Departmental Expenditure Limits and administration cost limits

Administration Cost Limit	£000s		
	Gross provision	Income	Total administration costs limit
Gross administration costs limit	7,467	– 965	6,502
Net administration costs limit	—		

Memorandum item: reconciliation with net admin costs*Add to above*Net admin costs in non-cash AME 540Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB) —Other income not netted off gross administration cost limits —*gives:***Total net admin costs** **7,042***of which:*Voted in OCS 7,042

Non-voted administration departmental unallocated provision

Departmental Expenditure Limit

	Voted	Non-Voted	Total
Resource DEL	6,802	—	6,802
Capital DEL	100	—	100
Total DEL	6,902	—	6,902

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EL receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision and forecast outturn

The final provision sought, and the forecast outturn, for 2001–02 for the Scotland Office are:

Departmental Expenditure Limit	£7,236,000
Administration Cost Limit	£6,836,000
Grant to the Scottish Consolidated Fund	£16,253,279,000

Wales Office

Introduction

1. The estimate provides for the salaries of the Secretary of State for Wales and his Minister and payments to support expenditure by the National Assembly for Wales.
2. The Departmental Expenditure Limit (DEL) provision sought for 2002–02 is £3,096,000 of which £2,330,000 relates to Administration Costs. The DEL provision sought for 2002–03 is 14.3% lower than the final net provision for 2001–02 of £3,612,000.
3. Expenditure of £8,669,518,000 in Request for Resources (RfR) 01, Line C, classified as other spending outside Departmental Expenditure Limits, is in respect of provision for payment of grant to the National Assembly for Wales. Further details are provided in chapter 4 of this report.
4. A detailed analysis of the appropriations in aid and extra receipts payable to the Consolidated Fund can be found in the final two tables of this estimate.
5. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales, and ensuring the smooth working of the devolution settlement in Wales	8,671,983,000
Total net resource requirement	8,671,983,000
Net cash requirement	8,672,614,000

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

RfR1: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales, and ensuring the smooth working of the devolution settlement in Wales;

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

The Wales Office will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	8,671,983,000	3,564,434,000	5,107,549,000
Total net resource requirement	8,671,983,000	3,564,434,000	5,107,549,000
Net cash requirement	8,672,614,000	3,564,709,000	5,107,905,000

Part II: Subhead detail

£'000

Resources							Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10	
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources	
RFR1: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales, and ensuring the smooth working of the devolution settlement in Wales.										
2,339	135	8,669,518	8,671,992	9	8,671,983	766	—	7,907,446	7,598,713	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A Office of the Secretary of State for Wales										
2,339	—	—	2,339	9	2,330	766	—	2,660	2,631	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
B Office of the Secretary of State for Wales										
—	135	—	135	—	135	—	—	135	96	
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
C Grant payable to the National Assembly for Wales										
—	—	8,669,095	8,669,095	—	8,669,095	—	—	7,907,446	7,598,713	
Total	2,339	135	8,669,518	8,671,992	9	8,671,983	766	7,907,446	7,598,713	

Part II: Resource to Cash reconciliation

(£'000s)

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Total Resources	8,671,983	7,907,446	7,598,713
Voted Capital Items			
Capital	766	766	299
Less Non-operating AinA	—	—	—
	766	766	299
Accruals to cash adjustment			
Cost of capital charges	-100	-100	-74
Depreciation	-35	-35	-22
New provisions and adjustments to previous provisions	—	—	—
Other non-cash items	—	—	—
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	—	—	—
Increase (-)/Decrease (+) in creditors	—	—	—
Use of provisions	—	—	—
Total accruals to cash adjustments	-135	-135	-96
Excess cash to be CFERd	—	—	—
Net Cash Requirement	8,672,614	7,908,077	7,598,916

Part III: Extra Receipts payable to the Consolidated Fund

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

	2002-03		2001-02		2000-01	
	Income	Receipts	Income	Receipts	Income	Receipts
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	160	—	160	—	160	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	160	—	160	—	160	—

Forecast Operating Cost Statement

	2002-03		2001-02		2000-01	
	provision	provision	provision	provision	outturn	outturn
Net administration costs:						
Request for Resources 1	2,330	2,660			2,638	
Net programme costs:						
Request for Resources 1	8,669,653	7,904,786			7,596,075	
NET OPERATING COST	8,671,983	7,907,446			7,598,713	
<i>of which:</i>						
NET RESOURCE OUTTURN	8,671,983	7,907,446			7,598,713	
CFERS	—	—			—	
Non-voted expenditure	—	—			—	
RESOURCE BUDGET OUTTURN⁽¹⁾	2,465	2,795			2,734	

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	8,671,983	7,907,446	7,598,713
Net Operating Costs (Accounts)	8,671,983	7,907,446	7,598,713
<i>Adjustments for:</i>			
Voted expenditure outside the budget	-8,669,518	-7,904,651	-7,595,979
Resource Budget Outturn (Budget)	2,465	2,795	2,734
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	2,330	2,660	2,638
Annually Managed Expenditure (AME)	135	135	96

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	766	766	299
Capital Budget Outturn	766	766	299
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	766	766	299

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of the Wales Office, Mrs Alison Jackson, as Accounting Officer of the Department with overall responsibility for preparing the Department's Estimate.

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

Analysis of Appropriations in Aid

	2002–03		2001–02		2000–01		£000
	provision		provision		outturn		
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
RFR1: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales, and ensuring the smooth working of the devolution settlement in Wales							
Rent receipts	9	—	9	—	9	—	
Total	9*	—	9	—	9	—	

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

Analysis of Consolidated Fund Extra Receipts

	2002–03		2001–02		2000–01		£000
	Provision		Provision		Provision		
	Income	Receipts	Income	Receipts	Income	Receipts	
Other amounts collectable on behalf of the Consolidated Fund	160	160	160	160	160	160	
Total	160	160	160	160	160	160	

DEL & Administrative Cost Limits

Administration Costs Limits			£000
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	2,339	– 9	2,330
Net administration costs limits	—	—	—

Departmental Expenditure Limits			£000
	Voted	Non-Voted	Total
Resource DEL	2,330	—	2,330
Capital DEL	766	—	766
Total DEL	3,096		3,096

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision & forecast outturn

The final provision sought, and the forecast outturn, for 2001–02 for the Wales Office are:

Departmental Expenditure Limit:	£3,426,000
Administrative Cost limit:	£2,660,000
Grant to the National Assembly for Wales:	£7,904,651,000

Contingent Liabilities

The Wales office has indemnified the members of the North Wales Child Abuse Inquiry against any claim arising out of a statement made or opinion expressed by them in the course of that inquiry. The contingent liability is unquantifiable. Parliament has been notified in the Wales Office Resource Accounts for 1999–2000, and will continue to be notified in each Estimate.

All other contingent liabilities of the former Welsh Office were transferred to the National Assembly for Wales.

Northern Ireland Office

Introduction

1. This Estimate provides for the salaries of the Secretary of State for Northern Ireland and his Ministers and for the administration of the Northern Ireland Office in pursuit of its objectives as reflected in its Public Service Agreement (PSA).
2. It provides for the implementation of the Good Friday Agreement; the support and development of the criminal justice system; the enforcement of law (excluding army costs); and the maintenance of a secure and humane prison system.
3. Expenditure of £8,089,000,000 in RfR2 represents a grant to the Northern Ireland Consolidated Fund and transfer of European Union funds and is classified as 'Other spending outside the Departmental Expenditure Limit (DEL)'.
4. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risk of re-offending;†	1,178,634,000
RfR2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998	8,089,000,000
Total net resource requirement	9,267,634,000
Net cash requirement	9,268,796,000

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

RfR1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risk of re-offending

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

RfR2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 2000

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

The Northern Ireland Office will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR 1	1,178,634,000	507,908,000	670,726,000
RfR 2	8,089,000,000	3,443,400,000	4,645,600,000
Total net resource requirement	9,267,634,000	3,951,308,000	5,316,326,000
Net cash requirement	9,268,796,000	3,949,310,000	5,319,486,000

† In the Vote on Account RfR 1 was described as:-

'Supporting and developing an efficient, effective and responsive criminal justice system; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risk of re-offending; playing a full part in implementing the Belfast Agreement and representing the interests of Northern Ireland in the UK Government.'

Part II: Subhead detail

£'000

	Resources						Capital	2002-03	2001-02 Provision	2000-01 Outturn
	1	2	3	4	5	6				
	Admin	Other resources	Grants	Gross Total	AlNA	Net Total	Capital	Non- operating AlNA	Net Total Resource	Net Total Resources
RFR: 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 offending.										
	150,618	878,490	156,207	1,186,065	7,431	1,178,634	85,494	869	1,174,207	968,298
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A - Central Administration (RFR)	22,969	13,650	—	36,639	2,513	34,121	5,404	485	36,221	22,875
*B - Ministers	1,198	—	—	3,198	—	3,198	—	—	3,610	3,363
*C - Political Directorate	4,623	5,077	250	10,455	230	10,225	26	—	10,315	8,742
*D - Bloody Sunday	750	4,436	—	5,186	—	5,186	—	—	19,333	16,472
*E - Department of the Director of Public Prosecutions	5,894	4,601	—	10,495	86	10,409	28	—	12,753	11,911
*E - Forensic Science Northern Ireland	4,349	224	—	4,573	4,348	225	384	384	225	710
*G - Criminal Justice	10,913	11,185	22,509	44,607	—	44,607	526	—	33,894	25,505
*H - Compensation Agency	3,836	2,593	87,250	93,679	180	93,499	22	—	93,374	76,928
*I - Matching Funding for European Union Peace & Reconciliation Programme	—	—	—	—	—	—	—	—	100	201
*J - European Union Peace & Reconciliation Programme	—	—	—	—	—	—	—	—	—	538
*K - Policing & Security	3,861	7,484	6,396	17,741	10	17,733	2	—	20,525	19,267
*L - Police	—	592,154	—	602,159	—	592,159	19,947	—	625,989	590,045
*M - Policing—Saverance	—	148,423	—	148,423	—	148,423	—	—	96,861	25,337
*N - Policing—Non Saverance	—	10,800	—	10,800	—	10,800	15,900	—	17,800	3,608
*O - Northern Ireland Prison Service	90,200	9,958	—	100,158	59	100,099	14,195	—	105,401	102,628
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
P - Pensions	—	—	35,200	35,700	—	35,700	—	—	47,840	3,100
Q - European Union Peace & Reconciliation Programme	—	—	—	—	—	—	—	—	—	538
<i>Non-Cash Items</i>										
R - Central Administration (RFR)	—	7,971	—	7,971	—	7,971	—	—	7,971	7,653
S - Political Directorate	—	79	—	79	—	79	—	—	79	76
T - Bloody Sunday	—	17	—	17	—	17	—	—	17	18
U - Department of the Director of Public Prosecutions	—	43	—	43	—	43	—	—	43	43
V - Forensic Science Northern Ireland	—	610	—	610	—	610	—	—	615	610
W - Criminal Justice	—	700	—	700	—	700	—	—	286	177
X - Compensation Agency	—	186	—	186	—	186	—	—	76	247
Y - Policing & Security	—	826	—	826	—	826	—	—	826	442
Z - Police	—	44,507	—	44,507	—	44,507	—	—	37,360	43,601
AA - Northern Ireland Prison Service	—	14,960	—	14,960	—	14,960	—	—	12,701	1,251
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
AB - Criminal Justice	—	—	4,352	4,352	—	4,352	—	—	9,380	428
AC - Policing & Security	—	—	—	—	—	—	—	—	615	982

Part II: Subhead detail (Continued)

£'000

Resources						Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RR2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 2000									
		8,889,000	8,889,000	—	8,889,000	—	—	7,999,000	5,130,000
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
A Grants to the Northern Ireland Consolidated Fund									
		8,053,999	8,053,999	—	8,053,999	—	—	7,996,999	5,129,999
B European Institutions (Net)									
		1	1	—	1	—	—	—	—
150,618	898,490	8,245,957	9,295,065	7,431	9,267,634	55,494	869	9,173,207	6,098,295

Part II: Resource to Cash reconciliation

£'000

	2002-03	2001-02	2000-01
	Provision	Provision	outturn
Net Total Resources	9,267,634	9,173,207	6,098,295
Voted Capital Items			
Capital	55,494	58,729	42,225
Less: Non-operating A-in-A	869	1,314	564
	54,625	57,900	34,582
Accruals to cash adjustment			
Cost of capital charges	-36,236	-30,028	-30,411
Depreciation	-33,602	-29,891	-29,392
New provisions and adjustments to previous pensions	-1,150	-1,250	2,844
Other non-cash items	-1,394	-1,394	-1,394
Increase (+)/Decrease (-) in stock	-13	-13	-53
Increase (+)/Decrease (-) in debtors	-416	-416	-360
Increase (-)/Decrease (+) in creditors	-8	-8	84
Use of provisions	19,356	7,660	115,784
Total accruals to cash adjustments	-53,463	-55,340	57,102
Excess cash to be CFERd	—	—	—
Net Cash Requirement	9,268,796	9,175,767	6,189,979

Part III: Extra Receipts payable to the Consolidated Fund

No CFER Income or receipts are expected in 2002-03. None were received in 2001-02 or 2000-01.

Forecast Operating Cost Statement

	2002-03 provision	2001-02 provision	2000-01 provision	£'000
Net Administration Costs				
Request for Resources 1	143,496	150,657	138,037	
Net Programme Costs				
Request for Resources 1	1,035,138	1,023,550	830,258	
Request for Resources 2	8,089,000	7,999,000	5,130,000	
Total Net Programme costs	9,124,138	9,022,550		5,960,258
TOTAL NET OPERATING COST	9,267,634	9,173,207		6,098,295
of which:				
NET RESOURCE OUTTURN	9,267,634	9,173,207		6,098,295
RESOURCE BUDGET OUTTURN	1,178,546	1,157,090		859,458

Notes to the Main Estimates

Reconciliation of resource expenditure between Estimates, accounts and budgets

£000

	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	9,267,634	9,173,207	6,098,295
<i>Adjustments for:</i>			
Net Operating Costs (Accounts)	9,267,634	9,173,207	6,098,295
<i>Adjustments for:</i>			
Capital grants to the private sector and local authorities	– 4,352	– 9,995	– 1,420
European Union income and related adjustments	305,201	145,341	175,830
Voted expenditure outside the budget	– 8,394,201	– 8,143,803	– 5,305,227
Unallocated resource provision	11,114	—	—
Other adjustments	– 6,850	– 7,660	– 108,202
Resource Budget Outturn (Budget)	1,178,546	1,157,090	859,458
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	1,092,309	1,056,836	916,278
Annually Managed Expenditure (AME)	86,237	100,254	– 56,820

Reconciliation of capital expenditure between Estimates and Budgets

£000

	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	54,625	57,900	34,582
Capital Budget Outturn	59,553	67,895	36,002
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	59,553	67,895	36,002

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Under Secretary of the Northern Ireland Office, Sir Joseph Pilling, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

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

Analysis of Appropriations in Aid

	£000					
	2002-03		2001-02		2000-01	
	provision		provision		outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risk of re-offending;						
Income from sale of land and buildings	-	869	-	485	-	248
Income from licences	10	-	10	-	6	-
Income from fees and charges	64	-	64	1,005	-	-
Recovery of costs	7,324	-	9,328	-	7,752	-
Income from other sales	33	-	73	343	34	-
Total RfR1	7,431*	869**	9,475	828	8,797	248

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

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

Departmental Expenditure Limits and administration costs limits

Administration Costs Limits	£000		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	147,464	- 2,748	144,716
Net administration costs limits	4,349	- 4,348	1

Departmental Expenditure Limits	£000		
	Voted	Non-Voted	Total
Resource DEL	1,068,689	23,620	1,092,309
Capital DEL	58,977	576	59,553
Total DEL	1,127,666	24,196	1,151,862

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Contingent Liabilities

1. Miscarriage of Justice Compensation (difficult to estimate based on court settlements.)
2. Equal opportunities and other employment related claims.

Grants in Aid

The main grants in aid in the Estimate are the grants paid to the Northern Ireland Policing Board (£889,659,000 and £2,500,000), the grant to the Juvenile Justice Centres and Attendance Centres (£11,510,000), the grant to the Probation Board for Northern Ireland (£12,777,000), the grant to the Police Ombudsman (£4,869), the grant to the Police Rehabilitation and Retraining Trust (£1,500,000), the grant to the Northern Ireland Human Rights Commission (£750,000), and the grant to the Northern Ireland Consolidated Fund (£8,089,000,000).

HM Treasury

Introduction

1. This Estimate covers the administration costs and other related costs of the Central Treasury and the Debt Management Office; grants in aid to four Parliamentary Bodies; expenditure associated with the awards of honours and dignities; grant in aid provision for the Statistics Commission; investment in Troika Insurance Company Limited; management and sales of residual Government shareholdings and holdings of privatised companies' debt; payments to the Royal Mint for the manufacture and distribution of UK coins, which are supplied to the banks on behalf of the Treasury, and for the storage of coins returned by the banks; administration costs and other related costs (including payments to Partnerships UK) of the Office of Government Commerce and OGCbuying.solutions, and associated non-cash items.

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

Part I

RfR1: Raising the rate of sustainable growth, and achieving rising prosperity, through creating economic and employment opportunities for all.	202,564,000
RfR2: Cost effective management of the supply of coins and actions to protect the integrity of coinage.	38,366,000
RfR3: Obtaining the best value for money from Government's commercial relationship on a sustainable basis.	1,000
Total net resource requirement	240,931,000
Net cash requirement	183,059,000

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

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

RfR2: Cost effective management of the supply of coins and actions to protect the integrity of coinage: manufacture, storage and distribution of coinage for use in the United Kingdom; actions to protect the integrity of coinage; associated non-cash items.

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

HM Treasury will account for this Estimate.

	Net Total	Allocated in Vote on Account	Balance to Complete
	£	£	£
RfR1	202,564,000	84,458,000	118,106,000
RfR2	38,366,000	16,933,000	21,433,000
RfR3	1,000	18,292,000	– 18,291,000
Total net resource requirement	240,931,000	119,683,000	121,248,000
Net cash requirement	183,059,000	81,418,000	101,641,000

Part II: Subhead detail

£'000

	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6				
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RFR 01: Raising the rate of sustainable growth, and achieving rising prosperity, through creating economic and employment opportunities for all										
	93,325	109,595	2,240	205,160	815	204,345	4,680	—	204,410	217,140
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A Administration	79,771	195	—	79,966	108	79,858	3,680	—	84,855	41,727
B Debt Management Office	8,250	1,350	—	6,600	700	5,900	1,000	—	7,515	5,514
C Payments to ISA for carrying out of insurance and supervision responsibilities	—	—	—	—	—	—	—	—	45,146	13,565
D Parliament and Privy Council	—	—	459	459	—	459	—	—	1,327	3,654
E Other Services	—	1,023	—	1,023	—	1,016	—	—	1,086	2,754
F Provision of information to business about the euro	—	—	—	—	—	—	—	—	7,500	506
G Statistics Commission	—	1,350	—	1,350	—	1,350	—	—	1,330	819
H Royal Mint	—	—	—	—	—	—	—	—	759	540
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
I Administration	7,719	103,880	—	111,599	—	111,599	—	—	111,599	106,604
J Debt Management Office	585	—	—	585	—	585	—	—	585	1,025
K Partnerships UK	—	1,200	—	1,200	—	1,200	—	—	1,200	—
L Privatisation programme sale of shares	—	597	—	597	—	597	—	—	597	3,884
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
M Payments for the indemnity granted in respect of Praxair	—	—	—	—	—	—	—	400	—	—
N Privatisation programme sale of shares	—	—	—	—	—	—	—	—	50	22,755
O Administration	—	—	—	—	—	—	—	—	—	16
RFR 02: Cost effective management of the supply of coins and actions to protect the integrity of coinage										
	—	38,366	—	38,366	—	38,366	—	—	38,466	42,208
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A UK Coinage	—	32,000	—	32,000	—	32,000	—	—	34,100	37,346
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
B UK Coinage	—	6,366	—	6,366	—	6,366	—	—	6,366	4,862
	140,673	130,519	2,240	273,432	33,178	240,254	7,561	2,105	332,227	274,849
RFR 03: Obtaining the best value for money from Government's commercial relationships on a sustainable basis										
	47,845	16,772	—	30,576	30,575	—	2,881	2,105	87,351	14,781
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A Office of Government Commerce	45,319	5,570	—	50,889	30,575	20,314	2,881	2,105	77,338	16,455

Part II: Subhead detail (continued)

£'000

	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6				
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AInA	Net Total Resource	Net Total Resource
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Vote Categories</i>										
B	Office of Government Commerce									
	2,029	23,012		20,983		-20,983			10,013	-1,817
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
C	Office of Government Commerce									
		670		670						63
Total	140,673	131,189	452	272,321	31,300	240,931	7,561	2,105	332,227	269,049

Part II: Resource to Cash reconciliation

£000

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Total Resources	240,931	332,227	269,049
Voted Capital Items			
Capital	7,561	18,959	51,224
Less Non-operating A-in-A	2,105	2,231	127,667
	5,456	16,728	-76,443
Accruals to cash adjustment			
Cost of capital charges	-117,649	-116,636	-110,168
Depreciation	7,967	7,554	6,076
New provisions and adjustments to previous provisions	25,582	-6,150	2,870
Other non-cash items	—	-130	-212
Increase (-)/Decrease (-) in stock	—	—	-6,546
Increase (+)/Decrease (-) in debtors	—	1,000	-222,091
Increase (-)/Decrease (+) in creditors	—	-250	231,696
Use of provisions	36,706	28,400	18,854
Total accruals to cash adjustments	-63,328	-101,340	91,673
Excess cash to be CFERd	—	—	-98,245
Net Cash Requirement	183,059	247,615	2,688

Part III: Extra Receipts payable to the Consolidated Fund

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

£000

	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	2,113	—	46,175	45,865	284,848	53,003
Non-operating income not classified as AinA	—	—	400	1,500	4,554	4,554
Other amounts collectable on behalf of the Consolidated Fund	1,515	—	1,515	—	1,515	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	98,245
Total	3,628	—	48,090	47,365	290,917	-40,688

Forecast Operating Cost Statement

£000

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Administration Costs			
Request for Resources 1	93,217	81,884	70,482
Request for Resources 2	—	—	—
Request for Resources 3	23,516	40,300	18,636
Total Net Administration costs	116,733	122,184	89,118
Net Programme Costs			
Request for Resources 1	109,022	76,601	-134,860
Request for Resources 2	38,366	40,216	42,207
Request for Resources 3	-25,303	47,051	-12,264
Bank of England	12,682	13,095	11,732
Total Net Programme costs	134,767	176,963	-93,185
TOTAL NET OPERATING COST	251,500	299,147	-4,067
<i>of which:</i>			
NET RESOURCE OUTTURN	239,143	332,227	269,049
CFERs	-325	-46,175	-284,848
Non-voted expenditure	12,682	13,095	11,732
RESOURCE BUDGET OUTTURN	271,912	364,595	247,512

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Resource Outturn (Estimates)	239,143	332,227	269,049
<i>Adjustments for:</i>			
Non-voted expenditure in the OCS	12,682	13,095	11,732
Consolidated Fund Extra Receipts in the OCS	– 325	– 46,175	– 284,848
Net Operating Costs (Accounts)	251,500	299,147	933
<i>Adjustments for:</i>			
Full resource consumption of public corporations	3,330	2,210	– 683
Voted expenditure outside the budget: Paymaster	—	– 450	– 1
Indemnity Guarantee and sale of shares			
Unallocated resource provision	2299	1,368	
Other adjustments: Euro MPs and Civil List	17,313	17,660	– 669
Resource Budget Outturn (Budget)	271,912	364,595	247,512
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	203,471	230,788	153,675
Annually Managed Expenditure (AME)	68,441	133,807	93,837

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	5,456	16,728	– 76,443
Full capital expenditure by public corporations	4,300	5,300	3,800
Gains/losses from sale of capital assets			
Other adjustments: sale of shares	—	49	102,698
Capital Budget Outturn	9,756	22,077	52,856
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	5,756	17,077	49,356
Annually Managed Expenditure (AME)	4,000	5,000	3,500

Explanation of Accounting Officer Responsibilities

The Permanent Secretary to the Treasury is Principal Accounting Officer with overall responsibility for preparing the Department's Estimate. In addition, the Treasury has appointed an Additional Accounting Officer for the Office of Government Commerce, to be responsible for that part of the Department's accounts relating to a specified request for resources and the associated assets, liabilities and cash flows. This appointment does not detract from the Permanent Secretary's overall responsibility as Accounting Officer for the Department's Estimate and overall cash requirement.

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

Request for Resources 1	Sir Andrew Turnbull, Principal Accounting Officer and Permanent Head of Department
Request for Resources 2	Sir Andrew Turnbull, Principal Accounting Officer and Permanent Head of Department
Request for Resources 3	Mr Peter Gershon, Additional Accounting Officer and Chief Executive of the Office of Government Commerce

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

Analysis of Appropriations in Aid

(£'000)

	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA

RfR1: Raising the rate of sustainable growth, and achieving rising prosperity, through creating economic and employment opportunities for all.

Total RfR1	815*		16,641	126	16,451	127,648
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* Amount that may be applied as appropriations in aid in addition to the net total, arising from recoveries in respect of administration of the Treasury, including charges for courses, services provided by the Economist Group Management Unit and Officers loaned to other organisations, including the salary of the UK Executive Director of the International Monetary Fund/International Bank for Reconstruction and Development who is a Treasury employee; income from publications, travel costs recovered from the European Community; recoveries of costs from minor occupiers; income from recovery actions in connection with Barlow Clowes; income from fees charged to Foreign Investment Exchange/Clearing Houses; recoveries in respect of Honours and Dignities; income due to the Debt Management Office for advertising costs, stock exchange listings and the facilitation of data provision; European Fast Stream income from Cabinet Office, and amount arising from the sale of shares and debt.

**Amount that may be applied as non-operating appropriations in aid arising from the sale of investments and assets.

RfR2: Cost effective management of the supply of coins and actions to protect the integrity of coinage.

Total RfR2	—*	—	502	—	617	—
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*Amount that may be applied as appropriations in aid in addition to the net total, arising from the proceeds of sales of melted down coin.

RfR3: Obtaining the best value for money from Government's commercial relationship on a sustainable basis.

Total RfR3	30,575*	2,105**	29,535	2,105	46,733	19
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*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 and subleasing of vacant property, charges for users of Whitehall District Heating and Standby Systems and sales of surplus energy.

**Amount that may be applied as non-operating appropriations in aid arising from income from the sale of fixed assets including disposals of surplus freehold and leasehold interests.

Total AinA	31,390*	2,105**	46,678	2,231	63,801	127,667
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Analysis of Consolidated Fund Extra Receipts

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Interest payments	325	—	115	115	—	226
Dividends	—	—	40,060	45,750	69,032	52,140
Paymaster	—	—	400	1,500	—	—
Civil List	1,515	—	1,515	—	1,515	—
Bank for International Settlements	—	—	—	—	4,554	4,554
Post Reinsurance premium	—	—	—	—	203,972	—
Fees and charges	—	—	—	—	841	—
Vacant property disposal	—	—	—	—	7,600	—
Miscellaneous	—	—	—	—	3,403	637
Excess income from OGC services	1,788	1,788	—	—	—	—
Total	3,628	1,788	48,090	47,365	290,917	57,557

DEL and Administration Cost Limits

Administration Costs Limits	£000s		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	130,340	–23,832	106,508
Net administration costs limits	—	—	—

Memorandum item: reconciliation with net admin costs*Add to above*

Net admin costs in non-cash AME 8,833

Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB) —

Other income not netted off gross administration cost limits 108

*gives:***Total net admin costs** 115,233*of which:*

Voted in OCS 115,233

Non-voted administration departmental unallocated provision —

Departmental Expenditure Limits	£000s		
	Voted	Non-Voted	Total
Resource DEL	140,897	46,214	187,111
Capital DEL	5,456	300	5,756
Total DEL	146,353	42,514	192,867

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision

The total net resource sought for 2002–03 of 240,931,000 is 27.5% lower than the final net provision and forecast outturn for 2001–02 of £332,227,000.

Contingent Liabilities

As at 31 March 2002, the following liabilities fell to be met from the Department's Estimate:

Nature of Liability	Amount outstanding at 31 March 2002 (£m)
Liabilities under the Reinsurance (Act of Terrorism) Act 1993	Unquantifiable
Indemnity against pre-sale liabilities following the privatisation of the Paymaster Agency	4.8
Indemnity in respect of the third party liability (war and terrorism) of airlines with UK operating licences and airports in the UK and Isle of Man	Unquantifiable

Grants in Aid

Spending in DEL under section D of RfR1 provides grants in aid to the Commonwealth Parliamentary Association of the (£363,000) the British American Parliamentary Group (£96,000). Section G covers the grant in aid for the Statistics Commission (£1,350,000).

HM Customs and Excise

Introduction

1. This Department's Estimate covers a single Request for Resource (RfR) which includes five sections. A brief description of the expenditure covered by each section follows:

Section A: represents administration spending within the Departmental Expenditure Limit (DEL), which covers three objectives: to collect the right revenue at the right time from indirect taxes; to reduce crime and drug dependency by detecting and deterring the smuggling of illegal drugs and other prohibited and restricted goods (including a contribution to the Action Against Illegal Drugs Cross-Cutting PSA); and to reduce the costs of international trade and improve the level of compliance with customs and statistical requirements. Additionally, payments are made in respect of the Customs and Excise National Museum and non-discretionary payments in respect of Shipbuilders' Relief;

Section B: covers Departmental spending within Annually Managed Expenditure (AME) in 2001-02, for incentive payments to encourage the use of on-line filing of VAT returns;

Section C: covers Departmental spending within Annually Managed Expenditure (AME) on non-cash items including depreciation and cost of capital charges;

Section D: a token net sub-head representing other spending outside DEL under Single European Authorisation arrangements;

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

Part I

	£
RfR1: Administering the indirect tax and customs control systems fairly and efficiently, enabling individuals and businesses to understand and comply with their obligations	1,055,887,000
Total net resource requirement	1,055,887,000
Net cash requirement	1,049,170,000

Amounts required in the year ending 31 March 2003 for expenditure by the HM Customs and Excise on:

RfR1: Administering the indirect tax and customs control systems fairly and efficiently, enabling individuals and businesses to understand and comply with their obligations

Administrative costs of taxation; the operation of customs revenue controls; the provision of trade information and other customs and excise related services; payments in respect of Shipbuilders' Relief and the Customs and Excise National Museum; residual incentive payments to encourage the use of on-line filing of VAT returns; the regulation of activities of money service businesses; and on associated non-cash items:

The **Customs and Excise Department** will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	1,055,887,000	473,264,000	582,623,000
Total net resource requirement	1,055,887,000	473,264,000	582,623,000
Net cash requirement	1,049,170,000	472,483,000	576,687,000

Part II: Subhead detail

£'000

Resources						Capital		2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10	
Admin	Other current	Grants	Gross Total	ASA	Net Total	Capital	Non-operating AUA	Net Total Resource	Net Total Resource	
RFR1: Administering the indirect tax and customs control systems fairly and efficiently enabling individuals and businesses to understand and comply with their obligations										
989,369	83,690	435	1,073,494	17,607	1,055,887	62,177	759	1,101,574	954,312	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Administration										
921,715	83,490	435	1,007,640	17,408	990,232	62,177	759	1,035,378	529,115	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
B Administration										
								17,000		
<i>Non-Cash Items</i>										
C Administration										
65,654			65,654		65,654			51,044	50,969	
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
D Operational local clearance procedures										
	200		200	199	1			1		
<i>Administration</i>										
									14,225	
Total	989,369	83,690	435	1,073,494	17,607	1,055,887	62,177	759	1,101,574	954,312

Part II: Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn	£000
Net Total Resources	1,055,887	1,101,574		954,312
Voted Capital Items				
Capital	62,177	89,771	45,837	
Less Non-operating Aina	759	759	115,269	
	61,418	89,012		-69,432
Accruals to cash adjustment				
Cost of capital charges	-16,259	-14,136	-14,960	
Depreciation	-49,161	-37,357	-32,125	
New provisions and adjustments to previous provisions	-348	269	-9,892	
Other non-cash items	-130	-130	-223	
Increase (+)/Decrease (-) in stock	—	—	-115	
Increase (+)/Decrease (-) in debtors	-2,265	-2,137	30,741	
Increase (-)/Decrease (+) in creditors	28	28	8,124	
Use of provisions	—	—	—	
Total accruals to cash adjustments	-68,135	53,463		18,450
Excess cash to be CFERd	—	—		—
Net Cash Requirement	1,049,170	1,137,123		866,430

Part III: Extra Receipts payable to the Consolidated Fund

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

	2002–03		2001–02		2000–01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	—	—	—	—	—	—
Non-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	146,000	<i>146,000</i>	144,500	<i>144,500</i>	155,675	<i>155,675</i>
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	146,000	<i>146,000</i>	144,500	<i>144,500</i>	155,675	<i>155,675</i>

Forecast Operating Cost Statement

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net administration costs:			
Request for Resources 1	982,255	990,275	894,008
Net programme costs:			
Request for Resources 1	73,632	111,299	60,304
Net Operating Cost	1,055,887	1,101,574	954,312
<i>of which:</i>			
Net Resource Outturn	1,055,887	1,101,574	954,312
Resource Budget Outturn⁽¹⁾	1,089,086	1,106,573	940,087

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	1,055,887	1,101,574	954,312
Net Operating Costs (Accounts)	1,055,887	1,101,574	954,312
<i>Adjustments for:</i>			
Gains/losses from sale of capital assets	—	—	- 14,225
Voted expenditure outside the budget covers operational local clearance procedures	1	- 1	—
Unallocated resource provision (includes dual key e-business funding for 2002-03, for consideration by the e-Envoy)	33,200	5,000	—
Resource Budget Outturn (Budget)	1,089,086	1,106,573	940,087
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	1,023,432	1,038,529	889,118
Annually Managed Expenditure (AME)	65,654	68,044	50,969

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	61,418	89,012	- 69,432
Gains/losses from sale of capital assets	—	—	14,225
Unallocated capital provision (includes dual key e-business funding for 2002-03, for consideration by the e-Envoy)	23,000	1,000	—
Capital Budget Outturn	84,418	90,012	- 55,207
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	84,418	90,012	- 55,207
Annually Managed Expenditure (AME)	—	—	—

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of HM Customs and Excise, Mr Richard Broadbent, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

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

Analysis of Appropriations in Aid

	2002-03		2001-02		2000-01		£000
	provision		provision		outturn		
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
rFR1: Administering the indirect tax and customs control systems fairly and efficiently, enabling individuals and businesses to understand and comply with their obligations							
Income from charges for special attendance	940	—	940	—	1,197	—	
Income from recovery of costs and expenses	8,267	—	8,267	—	8,741	—	
Income from international commitment charges	2,343	—	2,343	—	1,360	—	
Income from the sale of certificates and statistical services	326	—	326	—	403	—	
Income from Estate Management services	1,515	—	1,515	—	2,165	—	
Income from Shipbuilders' Relief	3,517	—	3,517	—	792	—	
Local clearance procedure receipts	199	—	199	—	—	—	
Other miscellaneous receipts	500	—	500	—	270	—	
Income from sale of fixed assets	—	759	—	759	—	101,044#	
Total	17,607*	759**	17,607	759	14,928	101,044	

*Amount that may be applied as appropriations in aid in addition to the net total arising from income received: for the special attendance of officers; from charges for international commitments; from the sale of statistical services and certificates and from estate management services; the recovery of law costs; the costs of staff on loan; EC travelling expenses and receipts from the EC; receipts in respect of Shipbuilders' Relief and local clearance procedures under Single European Authorisations; receipts from insurance and compensation claims; marine fuel relief; and other miscellaneous running and non running costs receipts.

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

Includes £63 million in respect of the estates private finance initiative (STEPS) and £36.4 million as part of the barter deal.

Analysis of Consolidated Fund Extra Receipts

	2002–03		2001–02		2000–01		£000
	provision		provision		outturn		
	Income	Receipts	Income	Receipts	Income	Receipts	
Fines and penalties ●	130,000	130,000	130,000	130,000	142,131	142,131	
Proceeds, less duty, on sales of seized assets ●	8,000	8,000	7,000	7,000	3,743	3,743	
Bank interest ●	300	300	300	300	248	248	
Other miscellaneous receipts ●	7,700	7,700	7,200	7,200	9,553	9,553	
Total	146,000	146,000	144,500	144,500	155,675	155,675	

DEL and Administration Costs Limits

Administration Costs Limits

	Gross provision	Income	Total administration costs limit
Gross administration costs limits	956,915	– 592	956,323
Net administration costs limits	—	—	—

Memorandum item: reconciliation with net admin costs

Add to above

Net admin costs in non-cash AME 65,654

Other income not netted off gross administration cost limits 6,522

gives:

Total net admin costs 1,015,455

of which:

Voted in OCS 982,255

Non-voted administration (dual key e-business funding for consideration by the e-Envoy) 33,200

Departmental Expenditure Limits

	Voted	Non-Voted	£000s Total
Resource DEL	990,232	33,200	1,023,432
Capital DEL	61,418	23,000	84,418
Total DEL	1,051,650	56,200	1,107,850

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparisons of provision sought with final provision and forecast outturn for previous year

The provision sought for 2002-03 is: 4.1% lower than the final provision for 2001-02 of £1,055,887,000; and 1.2% lower than the forecast outturn for 2001-02 of £1,068,431,000.

Actual and Contingent Liabilities

The Department has no contingent liabilities to report.

Cash which may be retained to offset expenditure

Cash which may be retained by the Department to offset expenditure in the year due to its relationship with income that has or will be appropriated in aid is £18,366,000.

Inland Revenue

Introduction

1. RfR1 provides for the administration costs incurred by the Inland Revenue in the management and collection of the direct taxes and tax credits. It includes expenditure on managing the National Insurance Funds for Great Britain and Northern Ireland and on the collection of National Insurance contributions, for which reimbursement is received from the respective National Insurance Funds.
2. RfR2 provides for the administration costs incurred by the Valuation Office in administering the beneficial portion of rates and providing or securing valuation and other services.
3. Details of the expenditure contained in this Estimate can be found in the Supplementary Budgetary Information.
4. RfR3 provides for the expenditure by the Inland Revenue on transitional payments to charities previously entitled to receive tax credits on dividends. Although payment of tax credits ceased after 5 April 1999, charities are entitled to claim special transitional payments over the five years from 1999-2000 to 2003-04 inclusive. Charities are also entitled, for the three years from 6 April 2000, to receive a 10 per cent supplement on payroll giving donations and this expenditure will be met from this RfR.
5. Also included in this RfR is the public expenditure incurred in respect of contributions by non taxpayers to personal and stakeholder pension schemes and in granting life assurance premium relief and residual payments of mortgage interest relief, to those policy holders and borrowers who are not liable to united kingdom income tax.
6. Under the relevant legislation, qualifying policy holders and borrowers receive tax relief on their premium, or interest payments. The reliefs are given by allowing the payers to deduct a prescribed percentage from their life assurance premiums, or an amount equal to 10 per cent on mortgage interest payments. The Inland Revenue reimburse the insurers and lenders for the amounts so deducted. In so far as such payments are in substitution for tax reliefs, they are met out of tax receipts.
7. It is a feature of these schemes that payers who have incomes below the tax threshold will receive relief against income tax which they have not in fact paid. So, in part, will those with incomes only slightly above the threshold. In consequence, the Inland Revenue are paying over amounts to insurers and lenders which are not in substitution for tax relief and which they cannot meet from tax receipts. The reduction in tax receipts which would otherwise occur will be met from this RfR and the payments are classed as public expenditure.
8. The public expenditure on these reliefs and transitional payments is calculated statistically and is necessarily subject to a wide estimating error. The amounts of the RfR attributable to Charities relief and stakeholder pensions is about 49% and 33% respectively. The amounts for life assurance premium relief and payroll giving is about 9% and 4% respectively. The amount for late claims for mortgage interest relief is about 2% of the total RfR. The amount for stamp duty relief is about 1% of the RfR.
9. RfR4 provides for payments of rates to local authorities and National Non-Domestic Pools in respect of premises occupied by foreign and Commonwealth governments for diplomatic purposes and premises occupied by certain international organisations. It also covers contributions in lieu of rates on properties occupied by the Crown in Gibraltar and other similar payments.
10. This RfR previously covered contributions in lieu of rates paid on government and other Crown buildings in the United Kingdom. With the abolition of Crown exemption from 1 April 2000, government departments will pay rates direct to local authorities. Any residual payments of contributions in lieu of rates received after 31 March 2000 will be surrendered to the Consolidation Fund.
11. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue	2,390,871,000
RfR2: Growing a contribution to the good management of property where the public interest is involved	1,000
RfR3: Providing payments in lieu of tax relief to certain bodies	190,000,000
RfR4: Making payments of rates to Local Authorities on behalf of certain bodies	26,500,000
Total net resource requirement	2,607,372,000
Net cash requirement	2,536,094,000

Amounts required in the year ending 31st March 2003 for expenditure by the Inland Revenue Department on:

RfR1: Enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue

administration and the associated non cash items incurred in the management and collection of the direct taxes, tax credits and national insurance contributions, administration of the National Insurance Funds for Great Britain and Northern Ireland, for services provided to the Department's information technology and wider markets' partners, for other departments and public bodies, and for overseas tax administrations.

RfR2: Growing a contribution to the good management of property where the public interest is involved

administration and the associated non cash items incurred in the provision of valuation and other services for government departments and other public bodies by the Valuation Office Agency.

RfR3: Providing payments in lieu of tax relief to certain bodies

transitional payments to charities, supplements on payroll giving, donations to charities and on personal and stakeholder pension schemes, life assurance premium relief, mortgage interest relief and stamp duty relief.

RfR4: Making payments of rates to Local Authorities on behalf of certain bodies

rates paid by the Inland Revenue Department in respect of non domestic property occupied by accredited representatives of Commonwealth and foreign countries and certain international organisations, contributions in lieu of rates in respect of properties occupied by Visiting Forces; the Crown in Gibraltar and other similar payments.

The Inland Revenue Department will account for this Estimate

	Net Total £	Allocated in Vote on account £	Balance to Complete £
RfR1	2,390,871,000	1,006,990,000	1,383,881,000
RfR2	1,000	-	1,000
RfR3	190,000,000	93,600,000	96,400,000
RfR4	26,500,000	14,045,000	12,455,000
Total net resource requirement	2,607,372,000	1,114,635,000	1,492,737,000
Net cash requirement	2,536,094,000	1,079,314,000	1,456,780,000

Part II: Subhead detail

€000

Resources						Capital	2002-03	2001-02	2000-01	
1	2	3	4	5	6	7	8	9	10	
Admin	Other current	Grants	Gross Total	AIRA	Net Total	Capital	Non-operating ARA	Net Total Resource	Net Total Resources	
RTR1: Enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue										
2,998,783	-6,238		2,992,545	411,677	2,390,871	118,067	3,059	2,266,590	2,040,649	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Administration										
	2,555,842		2,555,842	411,677	2,144,165	118,067	3,059	2,029,074	1,864,859	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
B Administration										
	252,941		252,941		252,941			242,751	132,610	
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
C Administration										
	6,235		6,235		6,235			6,235	38,180	
RTR2: Growing a contribution to the good management of property where the public interest is involved										
165,200	-139		165,061	165,060	1	6,878	813	2	1,895	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Administration										
	158,610		158,610	165,060	8,450	6,878	813	-7,704	-9,857	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
B Administration										
	8,100		8,100		8,100			7,319	8,326	
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
C Administration										
	490	-139	351		351			387	476	
RTR3: Providing payments in lieu of tax relief to certain bodies										
		190,000	190,000		190,000			258,000	208,803	
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
A Payments in lieu of tax relief										
		190,000	190,000		190,000			258,000	208,803	
RTR4: Making payments of rates to Local Authorities on behalf of certain bodies										
	29,600		29,600	3,100	26,500			31,210	20,812	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
A Payments of Local Authority rates										
	29,600		29,600	3,100	26,500			31,210	20,812	
Total	2,973,983	23,226	190,000	1,187,209	578,837	2,607,272	124,937	3,872	2,555,802	2,269,179

Inland Revenue

Part II: Resource to Cash reconciliation

	£000		
	2002-03 Provision	2001-02 Provision	2000-01 Outturn
Net Total Resources	2,607,372	2,555,802	2,269,179
Voted Capital Items			
Capital	124,937	167,931	132,796
<i>Less Non-operating A-in-A</i>	<i>3,872</i>	<i>2,920</i>	<i>324,069</i>
	121,065	165,011	- 191,273
Accruals to cash adjustment			
Cost of capital charges	- 45,986	- 45,526	- 46,667
Depreciation	- 204,320	- 194,368	- 118,510
New provisions and adjustments to previous provisions	- 573	—	- 8,646
Other non-cash items	- 390	- 390	13,392
Increase (+)/Decrease (-) in stock	- 500	- 500	343
Increase (+)/Decrease (-) in debtors	- 500	- 500	123,746
Increase (-)/Decrease (+) in creditors	53,823	50,656	48,351
Use of provisions	6,103	7,650	10,285
Total accruals to cash adjustments	- 192,343	- 182,978	22,294
Excess cash to be CFERd	—	—	—
Net Cash Requirement	2,536,094	2,537,835	2,100,200

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	70	<i>70</i>	4,073	<i>4,073</i>	22,821	<i>22,821</i>
Non-operating income not classified as AinA	—	<i>—</i>	—	<i>—</i>	—	<i>—</i>
Other amounts collectable on behalf of the Consolidated Fund	40,000	<i>40,000</i>	40,000	<i>40,000</i>	62,188	<i>62,188</i>
Excess cash receipts to be surrendered to the Consolidated Fund	—	<i>—</i>	—	<i>—</i>	—	<i>—</i>
Total	40,070	<i>40,070</i>	44,073	<i>44,073</i>	85,009	<i>85,009</i>

Forecast Operating Cost Statement

	2002-03 provision	2001-02 provision	2000-01 outturn	£000
Net Administration Costs				
Request for Resources 1	2,397,106	2,272,825	2,036,301	
Request for Resources 2	70	-3,908	-8,488	
Request for Resources 3	—	—	—	
Request for Resources 4	—	—	—	
Total Net Administration costs	2,397,176	2,268,917		2,027,813
Net Programme Costs				
Request for Resources 1	-6,235	-6,235	-11,046	
Request for Resources 2	-139	-163	-24	
Request for Resources 3	190,000	258,000	208,803	
Request for Resources 4	26,500	31,210	20,812	
Total Net Programme costs	210,126	282,812		218,545
TOTAL NET OPERATING COST	2,607,302	2,551,729		2,246,358
of which:				
NET RESOURCE OUTTURN	2,607,372	2,555,802		2,269,179
CFERs	-70	-4,073		-22,821
Non-voted expenditure	340,584	360,528		337,660
RESOURCE BUDGET OUTTURN	2,805,470	2,664,105		2,336,559

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	2,607,372	2,555,802	2,269,179
<i>Adjustments for:</i>			
Non-voted expenditure in the OCS	340,584	360,528	337,660
Consolidated Fund Extra Receipts in the OCS	- 70	- 4,073	- 22,821
Other adjustments	- 340,584	- 360,528	- 337,660
Net Operating Costs (Accounts)	2,607,302	2,551,729	2,246,358
<i>Adjustments for:</i>			
Gains/losses from sale of capital assets	- 490	- 1,550	- 34,332
Payments made in lieu of tax relief	- 190,000	- 258,000	- 208,803
Voted expenditure outside the budget	6,374	6,398	- 4,324
Unallocated resource provision	41,700	5,000	—
Expenditure met from the National Insurance Fund	340,584	360,528	337,660
Resource Budget Outturn (Budget)	2,805,470	2,664,105	2,336,559
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	2,524,032	2,390,475	2,180,096
Annually Managed Expenditure (AME)	281,438	273,630	156,463

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	121,065	165,011	- 191,273
Gains/losses from sale of capital assets	490	1,550	34,332
Unallocated capital provision	8,000	—	—
Capital Budget Outturn	129,555	166,561	- 156,941
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	129,555	166,561	- 156,941
Annually Managed Expenditure (AME)	—	—	—

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Chairman of the Board of Inland Revenue as Principal Accounting Officer for the Department with overall responsibility for preparing the Department's Estimate.

In addition the Treasury has appointed an additional Accounting Officer to be accountable for that part of the Department's accounts relating to specified requests for resources for the Valuation Office Agency and the associated assets, liabilities and cash flows. The appointment does not detract from the Chairman's overall responsibility as Accounting Officer for the Department's Estimate and overall net cash requirement.

The allocation of Accounting Officer responsibilities in the Inland Revenue is as follows:

Requests for Resources 1 and 3:	Mr Nick Montagu, Principal Accounting Officer and Chairman of the Board of Inland Revenue.
Request for Resources 2 and 4:	Mr Michael Johns, Additional Accounting Officer and Chief Executive of the Valuation Office Agency.

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

Analysis of Appropriations in Aid

£000s

	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR1: Enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue						
recovery of costs of collecting NICs	354,929		374,631		348,252	
receipts from sale of assets	--	3,059	--	2,059	--	321,069
receipts from certain tax penalties	10,000	--	10,000	--	12,270	--
Rent from private tenants and other government departments	5,440		5,440		7,894	--
receipts from VOA, other government departments and other bodies	29,492	--	29,492	--	21,323	--
other receipts	11,816		11,816		11,816	
RfR2: Growing a contribution to the good management of property where the public interest is involved						
recovery of costs of rating and valuation services	165,060	--	161,726	--	159,497	--
receipts from sale of assets		813	--	861	--	3,000
RfR4: Making payment of rates to Local Authorities on behalf of certain bodies						
Repayments by commonwealth and foreign countries and international organisations	3,100	--	3,710	--	3,653	
Total	579,837*	3,872**	596,815	2,920	564,705	324,069

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

RfR1: law costs recovered; recoveries of overpayments in prior years; excess cash receipts; subsidies for New Deal jobseekers employed; recovery of costs of seconded staff; receipts from sale of publications; receipts for services provided to the Valuation Office Agency, government departments and other bodies; receipts from the use of certain official cars; recovery of the costs of administering the National Insurance Funds and collection of National Insurance contributions; rent receipts from other government departments and private tenants; receipts from certain tax penalties; other administration costs receipts;

RfR2: recovery of costs of valuation and other services, receipts from use of certain official cars, receipts from sale of information and publications, recovery of law costs, rent receipts from other government departments and private tenants, other administration costs receipts;

RfR4: payment of rates by accredited Commonwealth and foreign countries and certain international organisations; refunds from local authorities; payments of contributions in lieu of rates by Visiting Forces and Ministry of Defence property in Gibraltar;

** Amount that may be applied as non operating appropriations in aid arising from the recovery of income from the sale of assets.

Analysis of Consolidated Fund Extra Receipts

In addition to appropriations in aid the following income and receipts relate to the department and is payable to the Consolidated Fund

	£000s					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Receipts from tax penalties ●	40,000	40,000	40,000	40,000	56,428	56,428
Surplus receipts of classes authorised to be applied as appropriations in aid ☉	70	70	4,073	4,073	22,821	22,821
Community Charge receipts ☐	—	—	—	—	5,760	5,760
Total	40,070	40,070	44,073	44,073	85,009	85,009

Departmental Expenditure Limits and administration costs limits

	£000s		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	2,601,542	- 34,932	2,566,610
Net administration costs limits	158,713	- 165,060	- 6,347

Memorandum item: reconciliation with net admin costs

<i>Add to above</i>	
Net admin costs in non-cash AME	254,938
Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB)	490
Other income not netted off gross administration cost limits	- 376,745
<i>gives:</i>	
Total net admin costs	2,438,946
<i>of which:</i>	
Voted in OCS	2,397,246
Non-voted administration departmental unallocated provision	41,700

Departmental Expenditure Limits	£000s		
	Voted	Non-Voted	Total
Resource DEL ¹	2,135,715	388,317	2,524,032
Capital DEL	121,555	8,000	129,555
Total DEL	2,257,270	396,317	2,653,587

- Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
- Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision and forecast outturn

The net resources sought for 2002-03 is 2.0% higher than the final net resources for 2001-02 of £2,555,802,000 and 6.6% higher than the forecast net resource outturn for that year of £2,445,802,000.

Cash which may be retained to offset expenditure

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid £583,779,000.

National Savings and Investments

Introduction

1. The Estimate provides for the expenditure on the administration of National Savings and Investments.
2. National Savings and Investments aims to help reduce the cost to the taxpayer of government borrowing currently and in the future. It provides retail funds for the government that are cost effective in relation to funds raised on the wholesale market. National Savings and Investments operates a range of saving and investment products that are kept under review.
3. The cost of National Savings and Investments operations comprises of debt interest, tax forgone and administration. The last is included in the public expenditure planning total and is covered by this estimate which provides for administering and selling National Savings and Investments products, maintaining over 50 million customer holdings and making payments to and conducting correspondence with investors.
4. National Savings and Investments operations were outsourced to Siemens Business Services (SBS) at the start of 1999–2000. The contract payments to SBS account for over 50% of the total of this estimate.
5. The Post Office and Girobank undertake a substantial amount of National Savings and Investments business on an agency basis. Approximately £52 million (32% of Net Total Resources) will be required to pay for selling National Savings products in this way and for advertising. Further details of the expenditure contained in this Estimate can be found in National Savings and Investment 2002 Departmental Report Cm 5433.
6. Symbols are explained in the Introduction to this booklet.

Part I

RfRI: Reducing the costs to the taxpayer of government borrowing	£ 159,170,000
Total Net Resource Requirement	159,170,000
Net Cash Requirement	154,608,000

Amounts required in the year ending 31 March 2003 for expenditure by National Savings and Investments on:

RfRI: Reducing the costs to the taxpayer of government borrowing

Administration, payments for contracted out services, publicity costs and associated non-cash items.

National Savings and Investments will account for this Estimate. †

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfRI	159,170,000	80,177,000	78,993,000
Total net resource requirement	159,170,000	80,177,000	78,993,000
Net cash requirement	154,608,000	77,947,000	76,661,000

† In the Vote on Account the title of the Department was described as 'National Savings'.

Part II: Subhead detail

£'000

	Resources						Capital	2002-03	2001-02 Provisions	2000-01 Outturn
	1	2	3	4	5	6				
	Admin	Other current	Grants	Gross Total	AmA	Net Total	Capital	Non- operating AmA	Net Total Resource	Net Total Resources
RIR 01: Reducing the costs to the taxpayer of government borrowing										
	161,049	2,672	—	163,721	4,551	159,170	300	—	181,172	165,561
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Administration										
	159,949	—	—	159,949	4,353	155,596	300	—	177,422	161,999
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
B Administration										
	—	500	—	500	—	500	—	—	500	462
<i>Non-Cash items</i>										
C Administration										
	1,100	2,172	—	3,272	—	3,272	—	—	5,250	3,051
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
D Administration										
	—	—	—	—	—	—	—	—	—	61
Total	161,049	2,672	—	163,721	4,551	159,170	300	—	181,172	165,561

Part II: Resource to Cash reconciliation

	£000		
	2002-03 Provision	2001-02 Provision	2000-01 Outturn
Net Total Resources	159,170	181,172	165,561
Voted Capital Items			
Capital	300	300	3,302
Less Non-operating A-in-A	—	—	133
	300	300	3,169
Accruals to cash adjustment			
Cost of capital charges	- 1,663	- 1,570	- 1,630
Depreciation	- 2,649	- 2,490	- 2,009
New provisions and adjustments to previous provisions	- 1,100	1,200	- 1,332
Other non-cash items	- 500	- 500	- 462
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	450	1,613	- 271
Increase (-)/Decrease (+) in creditors	500	1,016	2,761
Use of provisions	1,000	1,100	1,711
Total accruals to cash adjustments	- 4,862	- 5,257	- 1,232
Excess cash to be CFERd	—	—	—
Net Cash Requirement	154,608	176,215	167,498

Part III: Extra Receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2002-03. None were received in 2001-02 or 2000-01.

Forecast Operating Cost Statement

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net administration costs:			
Request for Resources 1	156,498	178,622	163,331
Net programme costs:			
Request for Resources 1	2,672	2,550	2,230
NET OPERATING COST	159,170	181,172	165,561
<i>of which:</i>			
NET RESOURCE OUTTURN	159,170	181,172	165,561
CFERs	—	—	—
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN⁽¹⁾	159,670	181,172	165,492

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn.

Notes to the Main Estimates

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£'000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	159,170	181,172	165,561
Net Operating Costs (Accounts)	159,170	181,172	165,561
<i>Adjustments for:</i>			
Gains/losses from sale of capital assets	—	—	- 69
Unallocated resource provision	500	—	—
Resource Budget Outturn (Budget)	159,670	181,172	165,492
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	156,898	178,522	163,710
Annually Managed Expenditure (AME)	2,772	2,650	1,782

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	300	300	3,169
Gains/losses from sale of capital assets	—	—	69
Capital Budget Outturn	300	300	3,238
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	300	300	3,302
Annually Managed Expenditure (AME)			- 64

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Chief Executive for National Savings and Investments, Peter Bateau, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

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

Analysis of Appropriations in Aid

	£000					
	2002–03 provision		2001–02 provision		2000–01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RFR01: Reducing the costs to the taxpayer of government borrowing						
Rental receipts	4,551	—	4,443	—	4,308	—
Total	4,551*	—	4,443	—	4,308	—

* Amount that may be applied as Appropriations in Aid in addition to the net total arising from rent receipts of over £4.5 million and small amount for office sales.

DEL and Administration Costs Limits

Administration Costs Limits		£000		
		Gross provision	Income	Total administration costs limit
Gross administration costs limits		161,449	4,551	156,898
Net administration costs limits		—	—	—
Memorandum item: reconciliation with net admin costs				
<i>Add to above</i>				
Net admin costs in non-cash AME				100
<i>gives:</i>				
Total net admin costs				156,998
<i>of which:</i>				
Voted in OCS				156,498
Non-voted administration departmental unallocated provision				500
Departmental Expenditure Limits				£000
		Voted	Non-Voted	Total
Resource DEL		155,398	1,500	156,898
Capital DEL		300	—	300
Total DEL		155,698	1,500	157,198

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

National Investment and Loans Office

Introduction

1. This Estimate covers the administration costs and other expenses of the National Investment and Loans Office.
2. It covers principally the management by the National Debt Office (NDO) of the investment portfolios of certain public funds such as the National Savings Bank Fund and the National Insurance Fund Investment Account, and lending to local authorities by the Public Works Loan Board (PWLB). It also covers the provision by the Office of HM Paymaster General (OPG) of banking and related services for government departments and other bodies and the supply of financial information to the Treasury to support its analysis of Central Government borrowing principally as an aid to monitoring.
3. The provision sought for 2002–03 assumes that receipts from fees on PWLB advances, receipts from NDO management charges and fees from OPG customers will cover the majority of costs.
4. Symbols are explained in the Introduction to this booklet.

Part I

RfR1: Providing high quality financial services to public sector clients†	£ 248,000
Total net resource requirement	248,000
Net cash requirement	250,000

Amounts required in the year ending 31 March 2003 for expenditure by the National Investment and Loans Office on:

RfR1: Providing high quality financial services to public sector clients

the management by the National Debt Office (NDO) of the investment portfolios of certain public funds; the provision of a lending service to local authorities by the Public Works Loan Board (PWLB); the provision by the Office of HM Paymaster General (OPG) of banking and related services for government departments and other bodies and the supply of financial information to the Treasury; administration; and associated non-cash items.

The National Investment and Loans Office will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	248,000	135,000	113,000
Total net resource requirement	248,000	135,000	113,000
Net cash requirement	250,000	113,000	137,000

† In the Vote on Account RfR1 was described as: "Providing high quality financial services to public sector customers".

Part II: Subhead detail

£'000

	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6	7	8	Provision	Outturn
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
<i>KIRI: Providing high quality financial services to public sector clients</i>	2,031	4,208	—	6,239	5,991	248	33	—	338	188
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
★A Administration	1,974	4,208	—	6,182	5,991	191	33	—	264	40
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
B Administration	57	—	—	57	—	67	—	—	64	146
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
<i>Administration</i>										
	—	—	—	—	—	—	—	—	—	—
Total	2,031	4,208	—	6,239	5,991	248	33	—	338	188

Part II: Resource to Cash reconciliation

£'000

	2002-03 provision	2001-02 provision	2000-01 outturn	
Net Total Resources		248	338	188
Voted Capital Items				
Capital	33	33	25	
Less Non-operating A-in-A	—	—	5	
		33	33	20
Accruals to cash adjustment				
Cost of capital charges	-20	-20	-90	
Depreciation	-30	-20	-44	
New provisions and adjustments to previous provisions	-7	14	-12	
Other non-cash items	-15	-15	-14	
Increase (+)/Decrease (-) in stock	—	—	—	
Increase (+)/Decrease (-) in debtors	5	5	-61	
Increase (-)/Decrease (+) in creditors	-8	-8	-97	
Use of provisions	44	51	64	
Total accruals to cash adjustments	-31	-21	-254	
Excess cash to be CFERd	—	—	47	
Net Cash Required	250	350	1	

Part III: Extra Receipts payable to the Consolidated Fund

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

	2002-03		2001-02		2000-01		£000
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>	
Operating income not classified as A in A	—	—	—	—	871	864	
Non-operating income not classified as A in A	—	—	—	—	—	—	
Other amounts collectable on behalf of the Consolidated Fund	50	<i>50</i>	50	<i>50</i>	6,175	<i>6,175</i>	
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	47	
Total	50	<i>50</i>	50	<i>50</i>	7,046	<i>7,086</i>	

Forecast Operating Cost Statement

	2002-03	2001-02	2000-01	£000
	provision	provision	provision	
Net administration costs:				
Request for Resources 1	248	338	188	
Net Programme Costs:				
Request for Resources 1	—	—	-871	
NET OPERATING COST	248	338	-683	
<i>of which:</i>				
NET RESOURCE OUTTURN	248	338	188	
CFERs	—	—	871	
Non-voted expenditure	—	—	—	
RESOURCE BUDGET OUTTURN	248	338	-685	

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	248	338	188
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS			–871
Net Operating Costs (Accounts)	248	338	–683
<i>Adjustments for:</i>			
Gain/losses from sale of capital assets	—		–2
Resource Budget Outturn (Budget)	248	338	–685
<i>Of which:</i>			
Department Expenditure Limit (DEL)	235	335	–675
Annually Managed Expenditure (AME)	13	3	–10

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	33	33	20
Gains/losses from sale of capital assets	—	—	2
Capital Budget Outturn	33	33	22
of which:			
Departmental Expenditure Limits (DEL)	33	33	22

Explanation of Accounting Officer Responsibilities

Under the Government Resources and Accounts Act 2000, the Treasury has appointed the Permanent Head of the National Investment and Loans Office, Mr Ian Peattie, as Accounting Officer for the Department.

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

Analysis of Appropriations in Aid

	2002-03		2001-02		2000-01		£000s
	provision		provision		outturn		
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
Charges for the management and administration of certain public and private funds by the NDO	768	—	683	—	547	—	
Income from fees from the provision of a lending service to local authorities by the PWLB	1,193	—	1,006	—	962	—	
The repayment of expenses from government departments and other bodies in respect of banking and other services provided by OPG	4,030	—	5,030	—	3,317	—	
Total	5,991*	—	6,719	—	4,826	—	

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

Analysis of Consolidated Fund Extra Receipts

£000s

	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Charges for the management and administration of certain public and private funds by the NDO	—	—	—	—	1	17
Income from fees from the provision of a lending service to local authorities by the PWLB	—	—	—	—	870	881
The repayment of expenses from government departments and other bodies in respect of banking and other services provided by OPG	50	50	50	50	6,175	6,188
Total	50	50	50	50	7,046	7,086

DEL and Administration Cost Limits**2002-03 Administration Costs Limits**

£000s

	Gross provision	Income	Total administration costs limit
Gross administration costs limits	2,018	—	2,018
Net administration costs limits	—	—	—

Memorandum item: reconciliation with net admin costs*Add to above*

Net admin costs in non-cash AME 13

Other income not netted off gross administration cost limits -1,783

*gives:***Total net admin costs** 248*of which:*

Voted in OCS 248

2002-03 Departmental Expenditure Limits

£000s

	Voted	Non-Voted	Total
Resource DEL	191	44	235
Capital DEL	33	—	33
Total DEL	224	44	268

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision and forecast outturn with previous year

The total net resources sought for 2002-03 is £53,000 less than the total net resources and forecast outturn for 2001-02.

Cash, which may be retained to offset expenditure

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

	2002-03 provision	2001-02 provision	2000-01 outturn
	5,991,000	6,719,000	4,826,000

Office for National Statistics

Introduction

1. This Estimate provides for the administration costs and other expenditure of the Office for National Statistics. For further details of the expenditure contained in RfR1 of this Estimate see the breakdown in the Part II table.
2. The department's main responsibilities include the following: Collection, collation and dissemination of statistics relating to the United Kingdom's national accounts, balance of payments, financial transactions and measures of output; co-ordination of statistics relating to regional matters; compilation of social Labour Market statistics; undertaking of various representational roles in an international context; providing leadership for statistics across government including implementing the White Paper Building Trust in statistics; implementing and issuing information from the decennial census of the population; supplying demographic statistics for national, regional and local planning; conducting social surveys; collecting and supplying statistics relating to the medical condition of the population and maintaining the Titchfield centre of the World Health Organisation; the Secretariat to the Boundary Commission for England and Wales; administering the law on marriage; controlling the local registration of births, deaths and marriages and maintaining the central record of these events from which copies of certificates are supplied; and maintaining the National Health Service Central Register.
3. A separate net control section is provided for customer-funded activities.
4. Symbols are explained in the Introduction to this booklet.

Part I	£
RfR1: Providing Statistical and Registration Services	133,258,000
Total net resource requirement	133,258,000
Net cash requirement	143,354,000

Amount required in the year ending 31 March 2003 for expenditure by the Office for National Statistics on:

RfR1: Providing Statistical and Registration Services

collection, preparation and dissemination of economic, social, labour market and other statistics; register services, departmental administration and associated non-cash items.

The Office for National Statistics will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	133,258,000	82,349,000	50,909,000
Total net resource requirement	133,258,000	82,349,000	50,909,000
Net cash requirement	143,354,000	79,916,000	63,438,000

Part II subhead detail

		2002-03						2001-02	2000-01
Resources		Capital						Provision	Outturn
1	2	3	4	5	6	7	8	9	10
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
BIR 01: Providing Statistical and Registration Services									
164,619	1,000		165,619	32,361	133,258	23,145	250	202,298	147,227
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government spending</i>									
★A Administration—gross control									
34,454	1,000		35,454	14,410	21,044	22,491	—	187,519	158,268
★B Customer Funded—net control									
16,250			16,250	16,931	201	634	250	201	272
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Non-Cash items</i>									
C Administration—gross control									
13,244			13,244		13,244			15,809	9,777
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
D ONS Administration									
171			171		171			171	425
E RC Receipts									
				1,000	-1,000			-1,000	-1,515
Total	164,619	1,000	165,619	32,361	133,258	23,145	250	202,298	147,227

Resource to Cash reconciliation

	2002-03	2001-02	2000-01
	provision	provision	outturn
Net Total Resources	133,258	202,298	147,227
Voted Capital Items			
Capital	23,145	4,625	7,953
Less Non-operating A-in-A	250	250	471
	22,895	5,875	7,482
Accruals to cash adjustment			
Cost of capital charges	-2,664	-2,576	-3,737
Depreciation	-11,770	-9,315	-6,995
New provisions and adjustments to previous provisions	—	-5,108	-727
Other non-cash items	-226	-293	-342
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	-1,504	-359	3,637
Increase (+)/Decrease (-) in creditors	2,743	8,071	-10,505
Use of provisions	622	852	1,323
Total accruals to cash adjustments	-12,799	-8,728	-17,346
Excess cash to be CTERd			389
Net Cash Required	143,354	199,445	137,752

Part III: Extra Receipts payable to the Consolidated Fund

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

£000

	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as Aina	—	—	—	—	—	—
Non-operating income not classified as Aina	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	389
	—	—	—	—	—	389

Forecast Operating Cost Statement

£000

	2001-02 Provision	2000-01 Outturn	2002-03 Provision
Net administration costs:			
Request for Resources 1	133,258	202,298	148,320
Net programme costs:			
Request for Resources 1	—	—	-1,093
NET OPERATING COST	133,258	202,298	147,227
<i>of which:</i>			
NET RESOURCE OUTTURN	133,258	202,298	147,227
CFERs	—	—	—
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN⁽¹⁾	140,087	203,127	148,317

⁽¹⁾ See table in reconciliation between Net resource outturn, Net operating cost and Resource budget outturn.

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	133,258	202,298	147,227
Net Operating Costs (Accounts)	133,258	202,298	147,227
<i>Adjustments for:</i>			
Gains/losses from sale of capital assets	- 171	- 171	- 425
European Union income and related adjustments	1,000	1,000	1,515
Unallocated resource provision	6,000	—	—
Resource Budget Outturn (Budget)	140,087	203,127	148,317
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	127,465	188,170	139,863
Annually Managed Expenditure (AME)	12,622	14,957	8,454

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2001-02 provision	2000-01 outturn	2002-03 provision
Net Voted Capital Outturn (Estimates)	22,895	5,875	7,482
Gains/losses from sale of capital assets	171	171	425
Capital Budget Outturn	23,066	6,046	7,907
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	23,066	6,046	7,907

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Director of the Office for National Statistics, Mr Len Cook, as the Accounting Officer for the Department with responsibility for preparing the Department's Estimate.

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

Analysis of Appropriations in Aid

£000

	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RFR1: Providing Statistical and Registration Services						
Cash fees for searches, verifications and certified copies of register entries	6,785	—	7,707	—	6,447	—
Repayment Services	19,396	—	23,443	—	23,405	—
Receipts from sale of data, publications etc.	4,370	—	4,746	—	4,519	—
Receipts from EC and other overseas contracts	1,805	—	1,960	—	1,564	—
Car Leasing Scheme for the Registration Inspectorate	5	—	5	—	3	—
Sale of surplus assets	—	250	—	250	—	471
Total	32,361*	250**	37,861*	250**	35,938*	471**

* Amount that may be applied as appropriations in aid in addition to the net total, arising from sale of statistical information publications and other services to other departments, the European Community and the public.

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

Analysis of Extra Receipts payable to the Consolidated Fund

£000

	2002-03 Provision		2001-02 Provision		2000-01 Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
● Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	389	389
Total CFERS	—	—	—	—	389	389

DEL and Administration Costs Limits

Administration Costs Limits	£000s		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	141,076	–14,410	126,666
Net administration costs limits	17,750	–17,951	–201

Memorandum item: reconciliation with net admin costs*Add to above*

Net admin costs in non-cash AME	13,244
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Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB)	171
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gives:

Total net admin costs	139,880
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of which:

Voted in OCS	133,880
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Non-voted administration departmental unallocated provision	6,000
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Departmental Expenditure Limits

	Voted	Non-Voted	£000s Total
Resource DEL	120,843	6,622	127,465
Capital DEL	23,066	---	23,066
Total DEL	143,909	6,622	150,531

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Government Actuary's Department

Introduction

1. The Estimate covers the running costs of the Department of the Government Actuary. The Department provides a consultancy service to government and to other clients principally in the public sector. It advises in the main on social security and pension schemes, population and other statistical studies and supervision of insurance.
2. Since 1989–90 the Department has operated a system of full repayment for all advice given, and the greater part of its running costs is now met by receipts. From 1995–96 the Department has operated under net running costs control, to allow it the flexibility to respond to fluctuating demands on its services. A small section of work, which is of interest to a wide spectrum of users, remains centrally funded.
3. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Providing an actuarial consultancy service	896,000
Total net resource requirement	896,000
Net cash requirement	705,000

Amounts required in the year ending 31 March 2003 for expenditure by the Department of the Government Actuary on:

RfR1: Providing an actuarial consultancy service

Administrative costs incurred in providing an actuarial consultancy service to Government and to other clients principally in the public sector, advising mainly on social security and pension schemes, population and other statistical studies and supervision of insurance and associated non cash items.

The Government Actuary's Department will account for this Estimate.

	Net Total	Allocated in Vote on Account	Balance to Complete
	£	£	£
RfR1	896,000	302,000	594,000
Total net resource requirement	896,000	302,000	594,000
Net cash requirement	705,000	308,000	397,000

Part II: Subhead detail

Resources							Capital		£000		
1	2	3	4	5	6	7	8	9	10	11	
Admin	Other current	Grants	Gross Total	A-in-A	Net Total	Capital	Non-operating Resource	Net Total Resources	2002-03 Provision	2001-02 Provision	2000-01 Outturn
RFR(1): Providing an aerial refuelling service											
5,664	—	—	5,664	7,768	896	231	—	688			41
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)											
<i>Central Government spending</i>											
A Administration											
8,259	—	—	8,259	7,768	491	231	—	475			-195
SPENDING IN ANNUALLY MANAGED EXPENDITURE											
<i>Non-Cash items</i>											
B Administration											
405	—	—	405	—	405	—	—	215			216
Total	5,664	—	5,664	7,768	896	231	—	688			41

Part II: Resource to Cash reconciliation

	2002-03 provision		2001-02 provision		2000-01 outturn		£000
Net Total Resources		896		688		41	
Voted Capital Items							
Capital		231		224		203	
Less Non-operating A-in-A		—		—		—	
		231		224		203	
Accruals to cash adjustment							
Cost of capital charges		-125		-63		-111	
Depreciation		-280		-150		-122	
New provisions and adjustments to previous provisions		—		—		3	
Other non-cash items		-34		-33		-40	
Increase (+)/Decrease (-) in stock		—		-30		209	
Increase (+)/Decrease (-) in debtors		—		20		57	
Increase (-)/Decrease (+) in creditors		—		10		558	
Use of provisions		17		19		1	
Total accruals to cash adjustments		-422		-227		549	
Excess cash to be CFERd		—		—		—	
Net Cash Requirement		705		685		793	

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03		2001-02		2000-01	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	—	—	—	—	—	2
Non-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	—	—	—	—	—	2

Forecast Operating Cost Statement

	£000		
	2002-03 provision	2001-02 provision	2000-01 provision
Net Administration Costs	—	—	—
Request for Resources 1	896	688	41
Net Programme Costs	—	—	—
Request for Resources 1	—	—	—
NET OPERATING COST	896	688	41
<i>of which:</i>			
NET RESOURCE OUTTURN	896	688	41
CFERs	—	—	—
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN⁽¹⁾	896	688	41

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn.

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	896	688	41
Net Operating Costs (Accounts)	896	688	41
Resource Budget Outturn (Budget)	896	688	41
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	508	494	– 194
Annually Managed Expenditure (AME)	388	194	235

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	231	224	203
Capital Budget Outturn	231	224	203
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	231	224	203

Explanation of Accounting Officer Responsibilities

Under the Government Resources and Accounts Act 2000, The Treasury has appointed the Permanent Head of the Government Actuary's Department (GAD), Chris Daykin, as Accounting Officer for the Department.

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

Analysis of Appropriations in Aid

	£000s					
	2002-03		2001-02		2000-01	
	provision		provision		outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR1: Providing an actuarial consultancy service						
Fees and charges to:						
Other Government Departments	5,207	-	5,055	-	5,701	-
Wider Public Service	2,561	-	2,487	-	1,579	-
Total RfR1	*7,768	-	7,542	-	7,280	-

* Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts for payments for actuarial and internal audit services.

Analysis of Consolidated Fund Extra Receipts

	£000s					
	2002-03		2001-02		2000-01	
	Income	Receipts	Income	Receipts	Income	Receipts
Excess receipts received but not authorised to be used as Appropriations in Aid	-	-	-	-	2	2
Total	-	-	-	-	2	2

Changes to accounting Policies

Tangible fixed assets—With effect from 2002–03 GAD intends to amend its existing policy on depreciation in respect of some of its computer equipment. Having carried out a study of the life expectancy of computers, monitors and servers within the department the conclusion is that a life period of 3 years is now a more appropriate period.

Depreciation on tangible fixed assets will be calculated on a monthly basis over the following periods:

Office furniture	10 years
Computers, Monitors and servers	3 years
Other computer equipment (printers etc.)	4 years
Corporate IT system	8 years

DEL and Administration Costs Limited			
Administration Costs Limits	£000s		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	—	—	—
Net administration costs limits	8,276	-7,768	508

Memorandum item: reconciliation with net admin costs

<i>Add to above</i>			
Net admin costs in non-cash AME			388
<i>gives:</i>			
Total net admin costs			896
<i>of which:</i>			
Voted in OCS			896

Departmental Expenditure Limits			£000s
	Voted	Non-Voted	Total
Resource DEL	491	17	508
Capital DEL	231	—	231
Total DEL	722	17	739

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of Provision sought with final provision and forecast outturn

The total net resource sought for 2002–03 of £896,000 is 30.2% higher than the final net provision and forecast return for 2001–02 of £688,000.

Cash which may be retained to offset expenditure

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

2002–03	2001–02	2000–01
provision	provision	outturn
7,768	7,542	7,280

Crown Estate Office

Introduction

1. This Estimate provides for the salaries of the Crown Estate Commissioners, the expense of their office and associated non-cash items. Up to the reign of King George III the reigning Sovereign received the rents and profits of the Crown Estate. Since 1760 the surplus rents and profits (after deducting management expenses) have at the beginning of each reign been surrendered by the Sovereign to Parliament as part of the arrangements for the provision of the Civil List. The Estate itself remains part of the hereditary possessions of the Sovereign in right of the Crown. It is not a government property, but neither is it part of the private estate of the reigning monarch. The Estate is managed by a Board of Commissioners under the powers vested in them by the Crown Estate Act 1961, which provided for their salaries and the expenses of the office to be paid out of monies voted by Parliament. By agreement with HM Treasury the maximum number of posts so provided for is 41. The other administrative costs of managing the Estate are paid out of the Estate Revenues as part of the management expenses. The surplus Revenues are paid to the Consolidated Fund at the end of each year and score as a miscellaneous receipt. For 2000–01 £147.8 million was paid to the Consolidated Fund. For reference, full accounts are produced in June each year under Section 2(5) of the Crown Estate Act 1961 (9 and 10 Eliz 2 Ch 55). Additionally, the annual Commissioner's Report is available, on request.

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

Part I

	£
RfR1: To maintain and enhance the value of the Crown Estate and the return obtained from it	1,911,000
Total net resource requirement	1,911,000
Net cash requirement	1,903,000

Amounts required in the year ending 31 March 2003 for expenditure by the Crown Estate Office on:

RfR1: To maintain and enhance the value of the Crown Estate and the return obtained from it:

The administration costs of the Crown Estate Commissioners and associated non-cash items.

The Crown Estate Office will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	1,911,000	934,000	977,000
Total net resource requirement	1,911,000	934,000	977,000
Net cash requirement	1,903,000	930,000	973,000

Part II: Subhead detail

Resources		Capital					2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10
Admin	Other	Gross	Gross	Area	Net Total	Capital	Non-operating	Net Total	Net Total
	resources	Total	Total				Area	Resources	Resources
RIF 01: To maintain and enhance the value of the Crown Estate and the return obtained from it									
	1,911		1,911	—	1,911	—	—	2,075	1,914
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Central Government's spending</i>									
A Administration	1,911		1,911	—	1,911	—	—	2,075	1,914
Total	—	1,911	—	1,911	—	1,911	—	2,075	1,914

Part II: Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn	£000
Net Total Resources	1,911	2,075	1,914	1,914
Voted Capital Items				
Capital		—	—	
<i>Less</i> Non-operating A-in-A	—	—	—	
	1,911	2,075	1,914	1,914
Accruals to cash adjustment				
Cost of capital charges	—	—	—	
Depreciation	—	—	—	
New provisions and adjustments to previous provisions	—	—	—	
Other non-cash items	-8	-8	-8	
Increase (+)/Decrease (-) in stock	—	—	—	
Increase (+)/Decrease (-) in debtors	—	—	—	
Increase (-)/Decrease (+) in creditors	—	—	—	
Use of provisions	—	—	—	
Total accruals to cash adjustments	8	-8	-8	-8
Excess cash to be CFERd	—	—	—	—
Net Cash Required	1,903	2,067	1,906	1,906

Part III: Extra Receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2002-03. None were received in 2001-02 or 2000-01.

Forecast Operating Cost Statement

	£000		
	2002-03 Provision	2001-02 Provision	2000-01 Provision
Net Administration Costs			
Request for Resources 1	—	—	—
Net Programme Costs			
Request for Resources 1	1,911	2,075	1,914
NET OPERATING COST	1,911	2,075	1,914
<i>of which:</i>			
NET RESOURCE OUTTURN	1,911	2,075	1,914
CFERs	—	—	—
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN⁽¹⁾	1,911	2,075	1,914

⁽¹⁾ See table in notes for reconciliation between Net resource outturn, Net operating cost and Resource budget outturn

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	1,911	2,075	1,914
Resource Budget Outturn (Budget)	1,911	2,075	1,914
<i>of which:</i>			
Annually Managed Expenditure (AME)	1,911	2,075	1,914

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)			
Full capital expenditure by public corporations	20,000	20,000	17,500
Capital Budget Outturn	20,000	20,000	17,500
<i>of which:</i>			
Annually Managed Expenditure (AME)	20,000	20,000	17,500

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Second Commissioner of the Crown Estate, Roger Bright, as Accounting Officer with overall responsibility for preparing the Crown Estate's Estimate.

His responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the public finances and for the keeping of proper records, are set out in the Non-Departmental Public Bodies' Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting*.

Comparisons of provision sought with final provision and forecast outturn

The provisions sought for 2002-03 is 7.9 per cent lower than the final net provision and forecast outturn for 2001-02 of £2.1 million.

Cabinet Office

Introduction

1. The Cabinet Office supports the Cabinet and Cabinet Committees and co-ordinates work on issues which cut across government departments. It supports the Prime Minister in his role as Head of Government and provides similar support to the Deputy Prime Minister and other Ministers in the Cabinet Office and Offices of the Government Whips on matters for which they are responsible. The Cabinet Office co-ordinates delivery of key government priorities and improvements to public services and also promotes Civil Service Reform.
2. This Estimate provides for administrative costs and other expenditure of the Cabinet Office. It includes the offices of the Prime Minister, the Deputy Prime Minister, the Minister for the Cabinet Office and other Cabinet Office Ministers, the Parliamentary Secretary, Lord Privy Seal and the Government Chief Whip; the Parliamentary Counsel; Secretariat to the Cabinet; the central management of, and delivery of services to, the Civil Service and wider public sector; delivery of the modernisation of government programme and civil service reform; cross-departmental IT systems; co-ordination of cross-cutting issues including social exclusion and women's and equality issues; the Deputy Prime Minister's chairmanship of Ministerial Committees; grants in aid to the Equal Opportunities Commission and certain not for profit organisations; providing for the administration of the Government Offices; emergency planning; price concessions to public libraries and other publications supplied to UK Members of the European Parliament; and certain other services and associated non-cash items.
3. The Cabinet Office provides grants to the following organisations: Chequers Trust; British National Committee for the History of the Second World War; European Institute of Public Administration; Association of Young European Administrators; Civil Service Benevolent Fund; Civil Service Sports Council; Civil Service Retirement Fellowship; Disability Partnership; Whitehall and Industry Group; Windsor Fellowship.
4. In addition the Estimate covers the Government Car and Despatch Agency, an executive agency, the Centre for Management and Policy Studies, the Government Offices for the Regions and the Office of the e-Envoy.
5. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	314,326,000
Total net resource requirement	314,326,000
Net cash requirement	311,739,000

Amounts required in the year ending 31 March 2003 for expenditure by the Cabinet Office on:

RfR1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

The offices of the Prime Minister, the Deputy Prime Minister, the Minister for the Cabinet Office and other Cabinet Office Ministers, the Parliamentary Secretary, Lord Privy Seal and the Government Chief Whip; the Parliamentary Counsel; Secretariat to the Cabinet; the central management of, and delivery of services to, the Civil Service and wider public sector; delivery of the modernisation of government programme and civil service reform; cross-departmental IT systems; co-ordination of cross-cutting issues including social exclusion and women's and equality issues; the Deputy Prime Minister's chairmanship of Ministerial Committees; grants in aid to the Equal Opportunities Commission and certain not for profit organisations; providing for the administration of the Government Offices; emergency planning; certain other services; and associated non-cash items.

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

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	314,326,000	149,512,000	164,814,000
Total net resource requirement	314,326,000	149,512,000	164,814,000
Net cash requirement	311,739,000	157,661,000	154,078,000

Part II: Subhead detail

£'000

	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6	7	8	9	10
	Admin	Other current	Grants	Gross Total	ANA	Net Total	Capital	Non-operating ANA	Net Total Resource	Net Total Resources
R(R1): Supporting the Prime Ministers Office closely in ensuring the delivery of Government objectives	326,728	20,955	24,486	372,169	57,843	314,326	32,496	168	357,780	246,881
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Cabinet Office	156,409	20,542	2,649	179,600	18,750	160,850	16,122	30	178,970	140,104
*B Centre for Management and Policy Studies	28,508	—	—	28,508	24,180	4,328	830	—	5,037	3,706
*C Government Car and Despatch Agency	13,613	—	—	13,613	14,913	-1,300	1,251	128	1,298	1,300
*D Corporate IT Strategy/Office of the e-Envoy	—	—	—	—	—	—	15,000	—	—	—
*E Government Offices Administration	98,630	—	—	98,630	—	98,630	613	—	105,576	70,265
<i>Support for Local Authorities</i>										
*F Emergency Planning Grants	—	—	14,038	14,038	—	14,038	—	—	14,038	12,696
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
G Cabinet Office and Corporate IT Strategy	27,618	—	—	27,618	—	27,618	—	—	29,286	10,059
H Centre for Management and Policy Studies	650	—	—	650	—	650	—	—	650	1,200
I Government Car and Despatch Agency	1,300	—	—	1,300	—	1,300	—	—	1,440	1,300
J Government Offices Administration	413	—	—	413	—	413	—	—	413	—
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
K Equal Opportunities Commission	—	—	7,005	7,005	—	7,005	—	—	8,842	8,374
L Emergency Planning Capital Grants	—	—	794	794	—	794	—	—	794	477
Total	326,728	20,955	24,486	372,169	57,843	314,326	32,496	168	357,780	246,881

Part II: Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn	£'000
Net Total Resources	314,326	357,780		246,881
Voted Capital Items				
Capital	32,496	88,185	67,795	
Less Non-operating A-in-A	168	418	426	
	32,328	87,767		67,369
Accruals to cash adjustment				
Cost of capital charges	-14,329	-14,111	-16,632	
Depreciation	-19,691	31,589	4,139	
New provisions and adjustments to previous provisions	-711	-839	-711	
Other non-cash items	-184	184	-243	
Increase (+)/Decrease (-) in stock	—	—	—	
Increase (+)/Decrease (-) in debtors	—	—	—	
Increase (+)/Decrease (-) in creditors	—	—	—	
Use of provisions	—	128	570	
Total accruals to cash adjustments	-34,915	-46,595		-21,155
Excess cash to be CFERd	—	—		—
Net Cash Requirement	311,739	398,952		293,095

Part III: Extra Receipts payable to the Consolidated Fund

No income or receipts are expected in 2002-03. None were received in 2001-02 or 2000-01.

Forecast Operating Cost Statement

	2002-03 provision	2001-02 provision	2000-01 outturn	£'000
Net administration costs:				
Request for Resources 1	269,880	304,802	200,318	
Net programme costs:				
Request for Resources 1	44,446	52,978	46,563	
TOTAL NET OPERATING COST	314,326	357,780		246,881
of which:				
NET RESOURCE OUTTURN	314,326	357,780		246,881
CFERs	—	—		—
Non-voted expenditure	—	—		—
RESOURCE BUDGET OUTTURN	313,532	356,756		245,834

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	314,326	357,780	246,881
Net Operating Costs (Accounts)	314,326	357,780	246,881
<i>Adjustments for:</i>			
Full resource consumption of non-departmental public bodies		– 102	
Full resource consumption of public corporations	– 794	– 794	– 477
Other adjustments		– 128	– 570
Resource Budget Outturn (Budget)	313,532	356,756	245,834
<i>Of which:</i>			
2002–03 Departmental Expenditure Limit (DEL)	283,551	315,095	233,845
Annually Managed Expenditure (AME)	29,981	41,661	11,989

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	32,328	87,767	67,369
Capital Budget Outturn	32,328	87,767	67,369
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	32,328	87,767	67,369
Annually Managed Expenditure (AME)			

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Permanent Head of the Cabinet Office, Mrs Mavis McDonald, as Accounting Officer for the Cabinet Office with overall responsibility for preparing the Cabinet Office's Estimate.

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

Analysis of Appropriations in Aid

	£000s					
	2002–03 provision		2001–02 provision		2000–01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RFR1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives						
Income from minor occupiers and other accommodation income	1,750	—	1,750	—	2,000	—
Sales of services and goods to other government departments and general public	1,219	—	2,096	—	1,519	—
Sponsorship income	100	—	100	—	1	—
Income relating to Crown copyright work of HMSO	591	—	1,000	—	1,100	—
Income relating to Employment Opportunities Fund	3	—	3	—	3	—
Income relating to central management costs of pensions schemes	12,886	—	12,886	—	14,355	—
Recovery of costs of Cabinet Office staff and Prime Minister's Office	700	—	950	—	975	—
Income from the trading and programme activities of the Government Car & Despatch Agency	14,913	—	13,235	—	12,904	—
Income from the trading activities of the Centre for Management and Policy Studies	24,180	—	24,180	—	21,256	—
Investments (loan repayment by Civil Service Sports Council and London Hostels Association)	—	30	—	29	—	27
Proceeds from asset disposals	—	138	—	389	—	279
Other income	500	—	1,000	—	1,621	—
Emergency Planning College receipts for training courses and rent	1,001	—	1,007	—	1,659	120
Total	57,843*	168**	58,207	418	57,393	426

*Amount that may be applied as appropriations in aid in addition to the net total, arising from income from minor occupiers of the Department's buildings; sales of services and goods to other government departments and general public; administration of Crown copyright by HMSO; sponsorship income; income from the Employment Opportunities Fund; income in respect of central management costs of the Principal Civil Service Pensions Scheme (PCSPS), Civil Service Additional Voluntary Contributions Scheme (CSAVC), and the Federated Superannuation Scheme for Universities (FSSU); refunds from the European Community and receipts in respect of international projects; recovery of costs of staff on loan; recovery from staff for miscellaneous items; recovery of costs incurred by the Prime Minister's Office on official visits; receipts from the trading and programme activities of the Government Car & Despatch Agency and the Centre for Management and Policy Studies; profit on disposal of fixed assets; Emergency Planning College receipts for training courses; receipts for rent; and certain other services.

**Amount that may be applied as non operating appropriations in aid, arising from repayment of loans by the Civil Service Sports Council and the London Hostels Association; the proceeds from the sale of fixed assets, covering the net book value.

Departmental Expenditure Limit (DEL) and Administration Cost Limit

2002-03 Administration Costs Limits

£000s

	Gross provision	Income	Total administration costs limit
Gross administration costs limits	255,039	14,812	240,227
Net administration costs limits	42,121	- 39,093	3,028

Memorandum item: reconciliation with net admin costs*Add to above*

Net admin costs in non-cash AME 29,568

Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB)

Other income not netted off gross administration cost limits - 2,943

*gives:***Total net admin costs** 269,880*of which:*

Voted in OCS 269,880

Non-voted administration departmental unallocated provision

2002-03 Departmental Expenditure Limits

	Voted	Non-Voted	£000s Total
Resource DEL	276,546	7,005	283,551
Capital DEL	32,328		32,328
Total DEL	308,874	7,005	315,879

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision and forecast outturn for previous year

The provision sought for total net resources for 2002-03 is 12 per cent lower than the final provision and forecast outturn for 2001-02 of £357,780,000.

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part 1 of the Estimate and of the confirming Appropriation Act:

Subhead	Service	£'000
A2	Emergency Planning Research Programme ■	135

Cash which may be retained to offset expenditure

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

	£000		
	2000-01	2001-02	2002-03
	57,393	58,207	57,843

Grants in Aid

The Cabinet Office provides grants above £250,000 to the following organisations: Civil Service Benevolent Fund £845,000; Civil Service Sports Council £1,332,000; Civil Service Retirement Fellowship £265,000; the Equal Opportunities Commission £7,005,000♥

Security and Intelligence Agencies

Introduction

1. This Request for Resource provides for all the administration costs and other expenditure of GCHQ, the Secret Intelligence Service (SIS) and the Security Service, together with related expenditure, mainly on research and development work, on behalf of SIS and the Security Service.
2. Provision for accruing superannuation liability charges (ASLCs) for the personnel who are members of the Principal Civil Service Pension Scheme (PCSPS) will be paid to the Civil Superannuation Vote from administration costs in this estimate. ASLCs for other staff will be returned as Consolidated Fund Extra Receipts in Part III of this Estimate.
3. Symbols are explained in the Introduction to this booklet.

Part I	£
RfR1: Protecting and promoting the national security and economic well being of the UK	911,634,000
RfR2: Security Service and Secret Intelligence Service superannuation	33,231,000
Total net resource requirement	944,865,000
Net cash requirement	901,195,000

Amounts required in the year ended 31 March 2003 for expenditure by Her Majesty's Security and Intelligence Agencies on:

RfR1: Protecting and promoting the national security and economic well being of the UK

administration and operational costs, research and developmental works, equipment, pensions and other payments, and associated non-cash items.

RfR2: Security Service and Secret Intelligence Service superannuation

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

	Net Total	Allocated in Vote on Account	Balance to Complete
	£	£	£
RfR1	911,634,000	450,998,000	460,636,000
RfR2	33,231,000	14,636,000	18,595,000
Total net resource requirement	944,865,000	465,634,000	479,231,000
Net cash requirement	901,195,000	398,674,000	502,521,000

Part II: Subhead detail

£000

Resources						Capital	2002-03	2001-02	2000-01	
1	2	3	4	5	6	7	8	9	10	
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating A-in-A	Net Total Resource	Net Total Resources	
RIR1: Protecting and promoting the national security and economic well being of the UK										
519,601	447,751	—	967,352	55,718	911,634	123,199	3,114	1,014,134	864,972	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A Security and Intelligence Agencies										
496,332	311,298	—	807,630	55,336	752,294	123,199	3,114	782,229	672,396	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
B Security and Intelligence Agencies										
—	—	—	—	—	—	—	—	47,553	27,472	
<i>Non-Cash items</i>										
H Security and Intelligence Agencies										
23,269	136,351	—	159,620	—	159,622	—	—	201,135	156,216	
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMIT										
C Security and Intelligence Agencies										
—	—	—	—	382	—382	—	—	—773	6,548	
RIR2: Security Service and Secret Intelligence Service Superannuation										
—	—	33,231	33,231	—	33,231	—	—	—	—	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
A Security and Intelligence Agencies										
—	—	33,231	33,231	—	33,231	—	—	—	—	
Total	519,601	447,751	33,231	1,000,583	55,718	944,865	123,199	3,114	1,014,134	864,972

Part II: Resource to Cash reconciliation

£000

	2002-03	2001-02	2000-01
	Provision	Provision	Outturn
Net Total Resources	944,865	1,014,134	864,972
Voted Capital Items			
Capital	123,199	119,891	91,555
Less Non-operating A-in-A	3,114	1,988	12,978
	120,085	117,903	78,577
Accruals to cash adjustment			
Cost of capital charges	—	—	—
Depreciation	—	—	—
New provisions and adjustments to previous provisions	—	—	—
Other non-cash items	-163,755	-191,815	-121,471
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	—	—	—
Increase (+)/Decrease (-) in creditors	—	—	—
Use of provisions	—	—	—
Total accruals to cash adjustments	-163,755	-191,815	121,471
Excess cash to be CFERd	—	—	—
Net Cash Requirement	901,195	940,222	819,712

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Operating income not classified as A in A	—	<i>17,889</i>	—	<i>16,650</i>	—	<i>20,943</i>
Non-operating income not classified as A in A	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	—	—
Excess cash receipts to be surrendered to the Consolidated Fund		—		—		—
Total	—	<i>17,889</i>	—	<i>16,650</i>	—	<i>20,943</i>

Forecast Operating Cost Statement

	£000		
	2002-03 Provision	2001-02 Provision	2000-01 Outturn
TOTAL NET OPERATING COSTS	944,865	1,014,134	864,972
<i>of which:</i>			
NET RESOURCE OUTTURN	944,865	1,014,134	864,972
CFERS	—	—	—
Non Voted Expenditure	—	—	—
RESOURCE BUDGET OUTTURN	945,247	1,014,907	856,424

Notes to the Main Estimates

Reconciliation of resource expenditure between Estimates, accounts and budgets

£000

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	944,865	1,014,134	864,972
Net Operating Costs (Accounts)	944,865	1,014,134	864,972
<i>Adjustments for:</i>			
Gains/losses from sale of capital assets	382	773	- 8,548
Resource Budget Outturn (Budget)	945,247	1,014,907	856,424
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	752,394	782,229	672,396
Annually Managed Expenditure (AME)	192,853	232,678	184,028

Reconciliation of capital expenditure between Estimates and Budgets

£000

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	120,085	117,903	78,577
Gains/losses from sale of capital assets	382	773	8,548
Capital Budget Outturn	119,703	117,130	87,125
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	119,703	117,130	87,125
Annually Managed Expenditure (AME)	—	—	—

Explanation of Accounting Officers Responsibilities

The Treasury has appointed the Secretary to the Cabinet and Head Civil Service, Sir Richard Wilson, as Accounting Officer for the Security and Intelligence Agencies.

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

Analysis of Appropriations in Aid

	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
Sales of services, recoveries, etc	55,718	—	—	—	—	—
Sales of services, recoveries, etc	—	3,114	—	—	—	—
Total	55,718*	3,114**				

* Amount that may be applied as appropriations in aid in addition to the net total, arising from the sales of services to other government departments, the recovery of costs of staff on loan, recovery for staff from miscellaneous items and certain other services.

** 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.

Analysis of Consolidated Fund Extra Receipts

£'000

	2002–03 provision		2001–02 provision		2000–01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
The accruing superannuation liability charges (ASLCs) for staff in Agencies pension schemes	—	17,889	—	16,650	—	20,943
Total CFERS	—	17,889	—	16,650	—	20,943

DEL & Administrative Cost Limits**2002–03 Administration Costs Limits**

£000s

	Gross provision	Income	Total administration costs limit
Gross administration costs limits	459,263	- 8,252	451,011
	37,869	- 38,829	-960

Memorandum item: reconciliation with net admin costs*Add to above*

Net admin costs in non-cash AME 23,269

Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB) —

Other income not netted off gross administration cost limits

*gives:***Total net admin costs** 473,320*of which:*

Voted in OCS 473,320

Non-voted administration departmental unallocated provision —

2002–03 Departmental Expenditure Limits

	Voted	Non-Voted	£000s Total
Resource DEL	752,394	—	752,394
Capital DEL	119,703	—	119,703
Total DEL	872,097	—	872,097

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.

2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison with last year and forecast outturn

The provision sought for total net resources for 2002–03 is 6.83 per cent lower than the final net provision and forecast outturn for 2001–02 of £1,014,134.

Cash which may be retained to offset expenditure

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

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
	55,718		

Cabinet Office: Civil Superannuation

Introduction

1. This Estimate covers the payment of pensions and other benefits to persons covered by the Principal Civil Service Pension Scheme (PCSPS) and certain other statutory schemes, including schemes for civil servants made under the Superannuation Act 1972.
2. Provision is also made for the payment of annual compensation arising from early retirement that was pre-funded by departments, agencies and other bodies covered by the Civil Service Compensation Scheme, in previous years, and received as extra receipts to the Consolidated Fund. The scheme for the central funding of early departures, announced in the White Paper: Continuity and Change (CM 2627), ended on 31 March 1997. Provision for residual expenditure under that scheme is included.
3. PCSPS employers meet the cost of pension cover for their staff by payment of charges set on an accruals basis. These charges, along with scheme members' contributions, are appropriated in aid of this Estimate.
4. Symbols are explained in the Introduction to this booklet.

Part I

RfR1: Civil Superannuation	£ 1,176,977,000
Total net resource requirement	1,176,977,000
Net cash requirement	1,246,298,000

Amounts required in the year ended 31 March 2003 for expenditure by the Cabinet Office on:

RfR1: Civil Superannuation

The Superannuation of civil servants; pensions, etc, in respect of members of judicial pension schemes, and other pensions and non-recurrent payments; and for other related services.

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

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	1,176,977,000	686,550,000	490,427,000
Total net resource requirement	1,176,977,000	686,550,000	490,427,000
Net cash requirement	1,246,298,000	730,530,000	515,768,000

Part II: Subhead detail

£'000

	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6				
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resources	Net Total Resources
RIR 3: Civil Superannuation	—	—	3,047,577	3,047,577	1,870,600	1,176,977	—	—	1,525,666	1,330,452
SPENDING IN ANNUALLY-MANAGED EXPENDITURE										
<i>Central Government spending</i>										
A	Civil Superannuation	—	3,042,577	3,042,577	1,870,600	1,171,977	—	—	1,521,666	1,329,895
<i>Non-Operating</i>										
B	Civil Superannuation	—	5,000	5,000	—	5,000	—	—	—	109,557
Total	—	—	3,047,577	3,047,577	1,870,600	1,176,977	—	—	1,525,666	1,330,452

Part II: Resource to Cash reconciliation

£000

	2002-03	2001-02	2000-01
	Provision	Provision	Outturn
Net Total Resources	1,176,977	1,525,666	1,330,452
Voted Capital Items			
Capital			
Less Non-operating AinA	—	—	—
	—	—	—
Accruals to cash adjustment			
Cost of capital charges	—	—	—
Depreciation	—	—	—
New provisions and adjustments to previous adjustments	-5,000	—	-109,557
Other non-cash items	—	—	—
Increase (+)/Decrease (-) in stock	—	—	—
Increase (+)/Decrease (-) in debtors	—	—	-17,344
Increase (-)/Decrease (+) in creditors	27,321	40,734	56,258
Use of provisions	47,000	57,000	85,509
	—	—	—
Total accruals to cash adjustments	69,321	97,734	14,866
Excess cash to be CFERd	—	—	—
Net Cash Requirement	1,246,298	1,623,400	1,345,318

Part III: Extra Receipts payable to the Consolidated Fund

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

	£000					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Operating income not classified as AinA	—	—	—	—	247,079	247,079
Non-operating income not classified as AinA	—	—	—	—	—	—
Other amounts collectable on behalf of the Consolidated Fund	—	—	—	—	87	87
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—
Total	—	—	—	—	247,166	247,166

Forecast Combined Revenue Account

	£000		
	2002-03 Provision	2001-02 Provision	2000-01 Outturn
Programme Costs:			
Voted expenditure			
Income			
PCSPS Contributions receivable	1,654,500	1,476,500	1,460,620
PCSPS Transfers in	190,000	146,000	219,400
PCSPS Other income receivable	25,100	18,100	23,814
Other Schemes Contributions receivable	1,000	1,000	1,541
	—	—	—
		-1,870,600	-1,641,600
Expenditure			
PCSPS Benefits payable	2,874,500	2,694,000	2,599,760
PCSPS Leavers	145,000	440,000	152,419
CSCS Benefits payable	12,377	18,266	22,744
Other Schemes Benefits payable	15,700	15,000	13,834
	—	—	—
		3,047,577	3,167,266
Total Net Programme Costs	1,176,977	1,525,666	1,083,373
TOTAL NET OUTGOINGS FOR THE YEAR	1,176,977	1,525,666	1,083,373
<i>of which:</i>			
NET RESOURCE OUTTURN	1,176,977	1,525,666	1,330,452
CFERS	—	—	-247,079
RESOURCE BUDGET OUTTURN	1,176,977	1,525,666	1,083,373

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	1,176,977	1,525,666	1,330,452
<i>Adjustments for:</i>			
Consolidated Fund Extra Receipts in the OCS	—	—	– 247,979
Net Operating Costs (Accounts)	1,176,977	1,525,666	1,083,373
Resource Budget Outturn (Budget)	1,176,977	1,525,666	1,083,373
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	—	—	—
Annually Managed Expenditure (AME)	1,176,977	1,525,666	1,083,373

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of the Cabinet Office, Mrs Mavis McDonald, as Accounting Officer with responsibility for preparing the Estimate for Civil Superannuation.

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

Analysis of Appropriations in Aid

	£000					
	2002–03 provision		2001–02 provision		2000–01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RFR1: Civil Superannuation						
Cost of pension cover, contributions, transfer values and bulk transfer value receipts	1,870,600	—	1,641,600	—	1,458,305	—
Total	1,870,600*	—	1,641,600*	—	1,458,305*	—

* Amount that may be applied as appropriation in aid in addition to the net total, arising from charges received from departments and others on account of the cost of pension cover provided for their staff; periodical contributions for widows', widowers' and dependants' benefits, other superannuation contributions and transfer values received and bulk transfer value receipts.

Analysis Consolidated Fund Extra Receipts

	£000					
	2002-03 provision		2001-02 provision		2000-01 provision	
	Income	Receipts	Income	Receipts	Income	Receipts
Excess Appropriations in Aid	—	—	—	—	247,079	247,079
Other CFERs	—	—	—	—	87	87
Total	—	—	—	—	247,166	247,166

Comparison of provision sought with provision and forecast outturn for previous year

The provision sought for total net resources for 2002-03 of £1,177 million is 23 per cent lower than the final provision for 2001-02 of £1,526 million and 18 per cent lower than the forecast outturn of that year of £1,427 million.

Cash which may be retained to offset expenditure

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

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
	1,870,600	1,641,600	1,458,305

Central Office of Information

Introduction

1. The Estimate covers the Central Advisory Service for publicity advice provided centrally.
2. Since 1988–89 COI's income has been treated as appropriations in aid, but from 1 April 1991 COI's repayment services were transferred to a trading fund.
3. The provision sought for 2002–03 is below the final net provision and forecast outturn for 2001–02, reflecting the ending of a two year funding of management training previously obtained from the Civil Service Modernisation fund.
4. Symbols are explained in the Introduction to this booklet.

Part I

RfR1: Achieving maximum communication effectiveness with best value for money	£ 716,000
Total net resource requirement	716,000
Net cash requirement	711,000

Amounts required in the year ending 31 March 2003 for expenditure by the Central Office of Information on:

RfR1: Achieving maximum communication effectiveness with best value for money

Advice to government centrally on publicity matters and associated non-cash items.

The **Central Office of Information** will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	716,000	365,000	351,000
Total net resource requirement	716,000	365,000	351,000
Net cash requirement	711,000	363,000	348,000

Part II: Subhead detail

£'000

	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6	7	8	9	10
	Admin	Other current	Grants	Gross Total	A-in-A	Net Total	Capital	Non-operating A-in-A	Net Total Resource	Net Total Resources
RRI: Achieving maximum communication effectiveness with best value for money	—	716	—	716	—	716	—	—	811	816
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
KA	COI—publicity and advisory service	716	—	716	—	716	—	—	811	816
Total	—	716	—	716	—	716	—	—	811	816

Part II: Resource to Cash reconciliation

£000

	2002-03 provision	2001-02 provision	2000-01 outturn	
Net Total Resources	716	811	816	
Voted Capital Items				
Capital	—	—	—	
Less Non-operating A-in-A	—	—	—	
Accruals to cash adjustment				
Cost of capital charges	—	—	—	
Depreciation	—	—	—	
New provisions and adjustments to previous provisions	—	—	—	
Other non-cash items	-5	-5	-5	
Increase (+)/Decrease (-) in stock	—	—	—	
Increase (+)/Decrease (-) in debtors	—	—	—	
Increase (-)/Decrease (+) in creditors	—	—	—	
Use of provisions	—	—	—	
Total accruals to cash adjustments	-5	-5	-5	
Excess cash to be CFERD	—	—	—	
Net Cash Requirement	711	806	811	

Part III: Extra Receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2002-03. None were received in 2001-02 or 2000-01.

Forecast Operating Cost Statement

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net administration costs			
Request for Resources 1	—	—	—
Net programme costs			
Request for Resources 1	716	811	816
Total net programme costs	716	811	816
TOTAL NET OPERATING COST	716	811	816
<i>Of which:</i>			
NET RESOURCE OUTTURN	716	811	816
CFERs	—	—	—
Non-voted expenditure	-	-	-
RESOURCE BUDGET OUTTURN	732	827	- 602

Notes to the Main Estimates

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	716	811	816
Net Operating Costs (Accounts)	716	811	816
<i>Adjustments for:</i>			
Full resource consumption of public corporations	16	16	–1,418
Resource Budget Outturn (Budget)	732	827	–602
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	716	811	–618
Annually Managed Expenditure (AME)	16	16	16

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Director General of the Central Office of Information, Ms Carol Fisher, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

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

Departmental Expenditure Limit

Departmental Expenditure Limits	Voted	Non-Voted	£000s Total
Resource DEL	716		716
Capital DEL	—	—	—
Total DEL	716	—	716

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of previous sought with final provision and forecast outturn for previous year

The total net resources sought for 2002–03 of £716,000 is 11.7% lower than both the final provision and the forecast outturn for 2001–02 of £811,000.

Privy Council Office

Introduction

1. This Estimate provides for the running costs of the Privy Council Office which is mainly responsible for Royal Charters and Orders in Council; and the Judicial Committee of the Privy Council, the highest court of appeals from certain Commonwealth countries, and for devolution issues arising out of the Scotland Act 1998. The Estimate also pays for the running of the private offices and salaries of the President of the Council, Leader of the House of Commons and the Parliamentary Secretary Privy Council Office and the Business Co-ordination Unit.
2. Expenditure contained in this Estimate is explained in the Cabinet Office 2002 Departmental Report Cm 5429).
3. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Ensuring the orderly conduct of Privy Council Office business	2,801,000
Total net resource requirement	2,801,000
Net cash requirement	2,798,000

Amounts required in the year ended 31 March 2003 for expenditure by the Department of Her Majesty's Privy Council on:

RfR1: Ensuring the orderly conduct of Privy Council Office business

Administration and associated non-cash items.

The **Privy Council** will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	2,801,000	1,534,000	1,267,000
Total net resource requirement	2,801,000	1,534,000	1,267,000
Net cash requirement	2,798,000	1,528,000	1,270,000

Part II: Subhead detail

£'000

Resources	2002-03						2001-02	2000-01
	1	2	3	4	5	6	Provision	Outturn
	Admin	Office expenses	Grants	Gross Total	AinA	Net Total	Capital	Net Total Resources
RfR1: Ensuring the orderly conduct of Privy Council Office business	2,841	—	—	2,841	40	2,801	—	2,981
SPENDING IN ANNUALLY MANAGED EXPENDITURE LIMITS (DEL)								
<i>Central Government spending</i>								
*A: Administration	2,838	—	—	2,838	40	1,798	—	2,988
SPENDING IN ANNUALLY MANAGED EXPENDITURE								
<i>Central Government spending</i>								
A: Administration	3	—	—	3	—	3	—	-3
Total	2,841	—	—	2,841	40	2,801	—	2,981

Resource to Cash reconciliation Part II

	2002-03 provision	2001-02 provision	2000-01 outturn	£'000
Net Total Resources	2,801	3,214		2,951
Voted Capital Items				
Capital	—	—	107	
Less Non-operating A-in-A	—	—	—	
	—	—	—	107
Accruals to cash adjustment				
Cost of capital charges	-2	-2	7	
Depreciation	-1	-1	-4	
New provisions and adjustments to previous provisions	—	—	—	
Other non-cash items	—	-20	-26	
Increase (+)/Decrease (-) in stock	—	—	—	
Increase (+)/Decrease (-) in debtors	—	—	-73	
Increase (-)/Decrease (+) in creditors	—	—	97	
Use of provisions	—	11	11	
Total accruals to cash adjustments	3	-12		12
Excess cash to be CFERd	—	—		—
Net Cash Requirement	2,798	3,202		3,070

Part III: Extra Receipts payable to the Consolidated Fund

No income or receipts are expected in 2002-03. None were received in 2001-02 or 2000-01.

Forecast Operating Cost Statement

	2002-03 provision	2001-02 provision	2000-01 outturn
Net Administration Costs:			
Request for Resources 1	2,801	3,214	2,951
NET OPERATING COST	2,801	3,214	2,951
<i>of which:</i>			
NET RESOURCE OUTTURN	2,801	3,214	2,951
CFERs	—	—	—
Non-voted expenditure	—	—	—
RESOURCE BUDGET OUTTURN	2,801	3,203	2,951

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	2,801	3,214	2,951
Net Operating Costs (Accounts)	2,801	3,214	2,951
<i>Adjustments for:</i>			
Other adjustments		- 11	—
Resource Budget Outturn (Budget)	2,801	3,203	2,951
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	2,798	3,211	2,965
Annually Managed Expenditure (AME)	3	- 8	- 14

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	—	—	107
Capital Budget Outturn	—	—	107
<i>of which:</i>			
Departmental Expenditure limits (DEL)	—	—	107
Annually Managed Expenditure (AME)	—	—	—

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Clerk of the Council, Mr Alex Galloway, as Accounting Officer to the Privy Council Office with responsibility for preparing the Department's Estimate.

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

Analysis of Appropriations in Aid

	2002-03		2001-02		2000-01		£000
	provision		provision		outturn		
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	
Judicial Committee Fees	40	—	40	—	40	—	
Total	40*	—	40	—	40	—	

*Amount that may be applied as appropriations in aid in addition to the net total arising from fees levied in respect of appeals and other proceedings before the Judicial Committee of the Privy Council.

DEL and administration cost limit

	£000
	Total administration costs limit
2002-03 Gross administration costs limits	2,838
Net administration costs limits	—

Memorandum item: reconciliation with net admin costs*Add to above*

Net admin costs in non-cash AME	3
Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB)	—
Other income not netted off gross administration cost limits	-40
<i>gives:</i>	
Total net admin costs	2,801
<i>of which:</i>	
Voted in OCS	2,801
Non-voted administration departmental unallocated provision	

2002-03 Departmental Expenditure Limits

	Voted	Non-Voted	£000 Total
Resource DEL	2,798	—	2,798
Capital DEL	—	—	—
Total DEL	2,798	—	2,798

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision and forecast outturn for previous year

The provision sought for total net resources for 2002-03 is 12.9 per cent lower than the final provision and the forecast outturn for 2001-02 of £3,214,000.

Cash which may be retained to offset expenditure

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

£000		
2002-03 provision	2001 02 provision	2000 01 outturn
40	40	40

Office of the Parliamentary Commissioner and Health Service Commissioner for England

Introduction

1. The Parliamentary Commissioner for Administration and Health Service Commissioner for England's resource estimate includes one request for resources. RfR1—To undertake the work of the Parliamentary Commissioner etc includes staff salaries, general administrative costs and capital expenditure programmes, and financial provision to cover the same costs for the Welsh Administration Ombudsman and the Health Service Commissioner for Wales and the Scottish Parliamentary Commissioner and Health Service Commissioner for Scotland. Expenditure incurred on behalf of the devolved bodies is recovered through appropriations in aid.
2. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	15,799,000
Total net resource requirement	15,799,000
Net cash requirement	14,878,000

Amounts required in the year ending 31 March 2003 for expenditure by:

RfR1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England

The Office of the Parliamentary Commissioner and Health Service Commissioner for England will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	15,799,000	7,092,000	8,707,000
Total net resource requirement	15,799,000	7,092,000	8,707,000
Net cash requirement	14,878,000	6,724,000	8,154,000

Part II: Subhead detail

Resources							Capital	2002-03	2001-02	2000-01
1	2	3	4	5	6	7	8	9	10	
Admin	Other current	Grants	Gross Total	A-in-A	Net Total	Capital	Non-operating A-in-A	Net Total Resource	Net Total Resources	
BIR1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England										
	16,799		16,799	1,000	15,799			15,760	13,553	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
*A Administration										
	15,899		15,899	1,000	14,899			14,964	12,594	
SPENDING IN ANNUALLY-MANAGED EXPENDITURE										
<i>Non-Cash Items</i>										
B Administration	901		900		900			396	959	
Total	16,799		16,799	1,000	15,799			15,760	13,553	

Part II: Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn	£000
Net Total Resources	15,799	15,760	13,553	
Voted Capital Items				
Capital	—	—	—	
Less Non-operating A-in-A				
Accruals to cash adjustment				
Cost of capital charges	-128	-76	-238	
Depreciation	-772	-720	-721	
New provisions and adjustments to previous provisions	—	—	—	
Other non-cash items	-21	-21	—	
Increase (+)/Decrease (-) in stock	—	—	—	
Increase (+)/Decrease (-) in debtors	—	—	—	
Increase (-)/Decrease (+) in creditors	—	—	—	
Use of provisions	—	—	—	
Total accruals to cash adjustments	-921	-817	-959	
Excess cash to be CFERd	—	—	—	
Net Cash Requirement	14,878	14,943	12,594	

Part III: Extra Receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2002-03. None were received in 2001-02 or 2000-01.

Forecast Operating Cost Statement

£000

	2002-03 provision	2001-02 provision	2000-01 outturn
Net programme costs:			
Request for Resources 1	15,799	15,760	13,553
Net non-voted programme costs	133	127	128
Total net programme costs	15,932	15,887	13,681
NET OPERATING COST	15,932	15,887	13,681
<i>of which:</i>			
NET RESOURCE OUTTURN	15,799	15,760	13,553
CFERs	—	—	—
Non-voted expenditure	133	127	128
RESOURCE BUDGET OUTFURN	16,299	15,887	13,681

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	15,799	15,760	13,553
<i>Adjustments for:</i>			
Non-voted expenditure in the OCS	133	127	128
Net Operating Costs (Accounts)	15,932	15,887	13,681
Resource Budget Outturn (Budget)	16,299	15,887	13,681
<i>Of which:</i>			
Department Expenditure Limit (DEL)	15,399	15,091	12,722
Annually Managed Expenditure (AME)	900	796	959

Explanation of Accounting Officer Responsibilities

The Treasury has appointed The Parliamentary Commissioner for Administration and Health Service Commissioner for England, Sir Michael Buckley, as Accounting Officer of the Office of the Parliamentary Commissioner for Administration and Health Service Commissioner for England with responsibility for preparing the Office's Estimate.

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

Analysis of Appropriations in Aid

	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR1: To undertake the work of the Parliamentary Commissioner for Administration and Health Service Commissioner for England						
Receipts from the Scottish Parliamentary Commissioner for Administration and Health Service Commissioner for Scotland	500	—	500	—	473	—
Receipts from the Welsh Administration Ombudsman and Health Service Commissioner for Wales	500	—	500	—	493	—
Total	1,000*	—	1,000	—	966	—

* Amounts to be applied as operating appropriations in aid in addition to the net total, arising from charges levied on the Welsh Administration Ombudsman and Health Service Commissioner for Wales and the Scottish Parliamentary Commissioner for Administration and the Health Service Commissioner for Scotland for the provision of ombudsman services.

DEL and Administrative Cost Limit

2002-03 Departmental Expenditure Limits

	Voted	Non-Voted	£000s Total
Resource DEL	14,899	500	15,399
Capital DEL	—	—	—
Total DEL	14,899	500	15,399

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision and forecast outturn for previous year

The provision sought for net resources for 2002-03 is 0.2% higher than the final provision and forecast outturn for 2001-02 of £15,760,000.

House of Lords

Introduction

1. The House of Lords' resource estimate includes two requests for resources. RfR1—Peer's Expenses, Administration etc includes the reimbursement of Peers' expenses incurred by them for the purpose of their parliamentary duty and the administrative costs of the House of Lords' Offices. This includes staff salaries and pensions, supplies, catering services, the House of Lords' share of the security costs at the Palace at Westminster, financial assistance to Opposition parties and a grant in aid to the History of Parliament Trust. RfR2—Works Services covers accommodation costs, including capital works, maintenance and utilities in respect of the Parliamentary Estates shared with the House of Commons.
2. Control is vested in the House of Lords' Offices Committee, appointed each session. The spending plans provide for a uniform level of service to the House and its Committees.
3. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR1: Peers' Expenses and Administration	39,181,000
RfR2: Work Services	46,122,000
Total net resource requirement	85,303,000
Net cash requirement	57,408,000

Amount required in the year ended 31 March 2003 for expenditure by the House of Lords on:

RfR1: Peers' Expenses and Administration

Peers' expenses, administrative costs and associated non-cash items, including staff pensions, security, stationery, printing, financial assistance to Opposition parties, and a grant in aid to the History of Parliament Trust.

RfR2: Works Services

Works Services and associated non-cash items, including a payment to the House of Commons in respect of Administration and a grant in aid to the House of Lords' Works of Art Collection Fund.

The House of Lords Offices will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	39,181,000	15,098,000	24,083,000
RfR2	46,122,000	16,651,000	29,471,000
Total net resource requirement	85,303,000	31,749,000	53,554,000
Net cash requirement	57,408,000	23,077,000	34,331,000

Part II: Subhead detail

£'000

	Resources						Capital	2002-03	2001-02	2000-01
	1	2	3	4	5	6				
	Admin	Other current	Grants	Gross Total	AirA	Net Total	Capital	Non-operating AirA	Net Total Resource	Net Total Resource
RFR 1: Peery Expenses and Administration			260	43,395	4,214	39,181	1,038	29	34,277	30,750
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A Functioning of Parliament			260	40,425	3,564	36,861	1,038	29	31,692	28,357
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
C Functioning of Parliament			2,943	2,943	640	2,303			2,558	2,364
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
D Functioning of Parliament		27		27		27			27	27
RFR 2: Works Services		46,280		46,280	158	46,122	254	16	40,656	36,734
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A Works Services		17,709		17,709	158	17,551	254	16	12,830	14,390
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
B Works Services		28,555		28,555		28,555			27,810	20,123
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
C Works Services		16		16		16			16	16
Total		69,415	260	89,675	4,372	85,303	1,292	45	74,933	67,484

Part II: Resource to Cash reconciliation

	2002-03 provision	2001-02 provision	2000-01 outturn	£'000
Net Total Resources	85,303	74,933		67,484
Voted Capital Items				
Capital	1,292	13,316	1,575	
Less Non-operating A in A	45	72	60	
	1,247	13,244		1,515
Accruals to cash adjustment				
Cost of capital charges	-25,101	23,941	21,933	
Depreciation	-3,987	-4,419	-774	
New provisions and adjustments to previous provisions	-2,410	-2,658	-1,779	
Other non-cash items	-85	-85	—	
Increase (+)/Decrease (-) in stock	-279	-279	-385	
Increase (+)/Decrease (-) in debtors	-58	-58	272	
Increase (+)/Decrease (-) in creditors	368	368	108	
Use of provisions	2,410	2,658	1,779	
Total accruals to cash adjustments	-29,142	-28,414		-23,256
Excess cash to be CFERd	—	—		—
Net Cash Requirement	57,408	59,763		45,743

Part III: Extra Receipts payable to the Consolidated Fund

No income or receipts are expected in 2002-03. None were received in 2001-02 or 2000-01.

Forecast Operating Cost Statement

	2002-03 provision	2001-02 provision	2000-01 outturn	£'000
Net Programme Costs				
Request for Resources 1	39,181	34,277	30,750	
Request for Resources 2	46,122	40,656	36,734	
Total Net Programme costs	85,303	74,933		67,484
TOTAL NET OPERATING COST	85,303	74,933		67,484
<i>of which:</i>				
NET RESOURCE OUTTURN	85,303	74,933		67,484
CFERs	—	—	—	—
Non-voted expenditure	—	—	—	—
RESOURCE BUDGET OUTTURN	85,260	74,890		67,439

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Resource Outturn (Estimates)	85,303	74,933	67,484
Net Operating Costs (Accounts)	85,303	74,933	67,484
<i>Adjustments for:</i>			
Gains/losses from sale of capital assets	– 43	– 43	
Resource Budget Outturn (Budget)	85,260	74,890	67,439
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	54,412	44,522	42,953
Annually Managed Expenditure (AME)	30,848	30,368	24,486

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002–03 provision	2001–02 provision	2000–01 outturn
Net Voted Capital Outturn (Estimates)	1,247	13,244	1,515
Gains/losses from sale of capital assets	43	43	45
Capital Budget Outturn	1,290	13,287	1,560
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	1,290	13,287	1,560
Annually Managed Expenditure (AME)	—	—	—

Explanation of Accounting Officers Responsibilities

The Clerk of the Parliaments is appointed by Her Majesty by Letters Patent and is ex-officio Accounting Officer for the House of Lords with responsibility for preparing the House's Estimate.

The Accounting Officer is responsible for the propriety and regularity of the public finances, for keeping proper records and for safeguarding the House's assets. In discharging these responsibilities, the Accounting Officer follows the Accounting Officers' Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of Appropriations in Aid

	£000s					
	2002-03 provision		2001-02 provision		2000-01 outturn	
	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA	Operating AinA	Non-operating AinA
RfR1: Peers' Expenses, Administration, etc						
Income from Fees and charges	3,564	—	3,585	—	3,434	—
Pension Scheme income	650		650		650	
Income from other sales of equipment	—	29	—	47	—	31
Total RfR1	*4,214	**29	4,253	47	3,599	31
RfR2: Works Services						
Income from Fees and charges	158	—	12	—	859	—
Income from other sales of equipment	—	16	—	25	—	29
Total RfR2	*158	**16	12	25	859	29
Grand Total	4,372	45	4,247	72	4,458	60

*Operating Appropriations in Aid

RfR1— Amount to be applied as operating appropriations in aid in addition to the net total, arising from judicial proceedings, private bills, taxation of costs, fees etc; and Refreshment Department sales.

RfR2— Amount to be applied as operating appropriations in aid in addition to the net total, arising from reproduction of works of art and other Works Services contributions.

**Non-operating Appropriations in Aid

RfR1— Amount to be applied as non-operating appropriations in aid in addition to the net total, arising from proceeds from the sale of surplus equipment.

RfR2— Amount to be applied as non-operating appropriations in aid in addition to the net total, arising from proceeds from the sale of surplus equipment and other Works Services contributions.

Departmental Expenditure Limit

2002–03 Departmental Expenditure Limits

	Voted	Non-Voted	£000 Total
Resource DEL	54,412	—	54,412
Capital DEL	1,290	—	1,290
Total DEL	55,702	—	55,702

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision and forecast outturn from previous year

The provision sought for 2002–03 is 9.6 per cent higher than the final provision for 2001–02 and the forecast outturn of that year of £78,933,000.

Cash which may be retained to offset expenditure

Cash which may be retained by the House of Lords to offset expenditure in year due to its relationship with income which has or will be appropriated in aid:

2002–03 provision	£'000
4,828	

Grants in Aid

The House of Lords provides a grant above £260,000 in the History of Parliament Trust

House of Commons

Introduction

1. This estimate provides for expenditure by the House of Commons on remunerating and supporting the Members of the House of Commons in discharging their duties and responsibilities, in the constituency, in Parliament and elsewhere. It allows for the payment of: parliamentary salaries; for relevant expenses incurred, including travel, office, staff and equipment; for insurance; for the central provision of IT equipment; for training; and for other associated items and accounting for associated non cash items. It also provides for financial assistance to Opposition parties and an Exchequer contribution to the Members’.

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

Part I

	£
RfR1: Members' salaries etc	130,807,000
RfR2: Grants to other bodies	5,355,000
Total net resource requirement	136,162,000
Net cash requirement	134,122,000

Amounts required in the year ended 31 March 2003 for expenditure by the House of Commons on:

RfR1: Members' salaries etc

Remunerating and supporting the Members of the House of Commons in discharging their duties and responsibilities, in the constituency, in Parliament and elsewhere by paying: parliamentary salaries; for relevant expenses incurred, including travel, office, staff and equipment; for insurance; for central provision of IT; for training; for other associated items and accounting for associated non cash items.

RfR2: Grants to other bodies

Financial assistance to Opposition parties and an Exchequer contribution to the Member's Fund

The Clerk of the House of Commons will account for this Estimate.

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	130,807,000	54,537,000	76,270,000
RfR2	5,355,000	2,313,000	3,042,000
Total net resource requirement	136,162,000	56,850,000	79,312,000
Net cash requirement	134,122,000	56,104,000	78,018,000

Part II: Subhead detail

£'000

Resources	Capital						2002–03	2001–02	2000–01	
	1	2	3	4	5	6	7	8	9	10
	Admin	Other current	Grants	Gross Total	AinA	Capital	AinA	Non-operating Resource	Net Total Resources	Net Total
RR1: Members salaries etc		130,807		130,807		1,845			120,258	89,478
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A: House of Commons—Members salaries etc	28,615			128,615		1,845			118,522	89,478
B: House of Commons—Members salaries etc	3,192			2,192					1,797	
RR2: Grants to Other Bodies			5,355	5,355		5,355			5,347	5,199
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A: Grants to Other Bodies			5,355	5,355		5,355			5,347	5,199
Total		130,807	5,355	136,162		136,162	1,845		125,605	94,678

Part II: Resource to Cash reconciliation

£'000

	2002–03 provision	2001–02 provision	2000–01 outturn
Net Total Resources	136,162	125,605	94,678
Voted Capital Items			
Capital	1,845	5,883	—
Less Non-operating AinA	—	—	—
	1,845	5,883	
Accruals to cash adjustment			
Cost of capital charges	- 260	- 265	—
Depreciation	- 1,932	- 1,471	—
New provisions and adjustments to previous provision	—	—	—
Other non-cash items	- 1,770	2,014	—
Increase (+)/Decrease (–) in stock	—	—	—
Increase (+)/Decrease (–) in debtors	—	—	—
Increase (+)/Decrease (–) in creditors	77	144	—
Use of provisions	—	—	—
Total accruals to cash adjustments	- 3,885	- 3,606	
Excess cash to be CFERd	—	—	—
Net Cash Requirement	134,122	127,882	94,678

Part III: Extra Receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2002-03. None were received in 2001-02 or 2000-01.

Forecast Operating Cost Statement

	2002-03 provision	2001-02 provision	2000-01 outturn	£'000
Net Programme Costs				
Request for Resources 1	130,807	120,258	89,479	
Request for Resources 2	5,355	5,347	5,199	
Total Net Programme costs	136,162	125,605		94,678
TOTAL NET OPERATING COST	136,162	125,605		94,678
of which:				
NET RESOURCE OUTTURN	136,162	125,605		94,678
CFERs	—	—		
Non-voted expenditure				—
RESOURCE BUDGET OUTTURN	136,162	125,605		94,678

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Resource Outturn (Estimates)	136,162	125,605	94,678
Net Operating Costs (Accounts)	136,162	125,605	94,678
Resource Budget Outturn (Budget)	136,162	125,605	94,678
<i>of which:</i>			
Departmental Expenditure Limit (DEL)	133,970	123,869	94,678
Annually Managed Expenditure (AME)	2,192	1,736	

Reconciliation of capital expenditure between Estimates and Budgets

	£000		
	2002-03 provision	2001-02 provision	2000-01 outturn
Net Voted Capital Outturn (Estimates)	1,845	5,883	—
Capital Budget Outturn	1,845	5,883	—
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	1,845	5,883	0
Annually Managed Expenditure (AME)	—	—	—

Explanation of Accounting Officer Responsibilities

The Clerk of the House of Commons, Sir W R McKay CB, has been appointed as Accounting Officer for the House of Commons Members' salaries, etc Vote with overall responsibility for preparing the Member's salaries, etc Estimate.

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

Departmental Expenditure Limit**2002–03 Departmental Expenditure Limits**

	Voted	Non-Voted	£000 Total
Resource DEL	133,970	---	133,970
Capital DEL	1,845	---	1,845
Total DEL	135,815	---	135,815

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resource Accounting and Budgeting, as implemented in the 2000 Spending Review.
2. Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision and forecast outturn for previous year

The provision sought for 2002–03 is 8.4 per cent higher than final net provision for 2001–02 of £125,605,000, and 19.6 per cent higher than the forecast outturn for that year of £113,871,000.

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