

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

	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	
	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	2001-02	2000-01
	£000	£000	£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	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources	
RfR 01: Export Finance Assistance										
—	192,100	175,032	367,132	140,500	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	—	—	112,900	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	99,921	
RfR 02: Trading Operations										
—	158,178	107,975	266,153	266,152	1	1,160	—	15,184	–40,598	
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	77,700	235,080	258,452	–23,372	—	—	–6,127	–65,081	
E Overseas Investment Insurance										
—	—	—	—	7,700	–7,700	—	—	–8,000	–6,631	
F Active Portfolio Management										
—	—	85	85	—	85	—	—	—	—	
<i>Reinsurance</i>										
—	—	—	—	—	—	—	—	–127	—	
Total	350,278	283,007	633,285	406,652	226,633	1,001,160	584,200	330,308	114,311	

Part II: Resource to Cash reconciliation

£'000

	2002–03	2001–02	2000–01
	provision	provision	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 AinA	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 AinA	185,039	<i>185,039</i>	157,372	<i>157,372</i>	241,045	<i>317,063</i>
Non-operating income not classified as AinA	—	—	—	—	—	—
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-voted 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

- 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 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	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
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	2,763	—	—	2,763	—	2,763	—	—	5,064	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):

	2002–03		2001–02		2000–01	
	Income	Receipts	Income	Receipts	Income	Receipts
Operating income not classified as AinA	6,225	6,225	6,225	6,225	5,445	5,249
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	6,225	6,225	6,225	6,225	5,445	5,249

Forecast Operating Cost Statement

	2002–03		2001–02		2000–01	
	Provision		Provision		Outturn	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	Income	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	Total
Resource DEL		48,168	—	48,168
Capital DEL		2,398	—	2,398
Total DEL		50,566	—	50,566

- 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 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
--	-------

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	£000
	1	2	3	4	5	6	7	8	2000–01	
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Provision	Outturn
								9	10	
								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	—	—	637	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	2001–02	2000–01	£000
	provisions	provisions	outturn	
Net Total Resources				
		759	1,357	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 AinA	—	—	—	—	13	<i>13</i>
Non-operating income not classified as AinA	—	—	—	—	—	—
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

	£000		
	2002–03 provision	2001–02 provision	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	858	—	—
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

£000

Detail	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:

	£000		
	2002–03 provision	2001–02 provision	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 DTI.

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

£'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: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry										
	39,027	13,275	—	52,302	52,301	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										
Gas and Electricity Markets Authority	—	—	—	—	—	—	—	—	—	—12
RfR2: 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

£'000

	2002–03	2001–02	2000–01	
	Provision	Provision	Outturn	
Net Total Resources				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	–9,647
Excess cash to be CFERd	—	8,778	4,387	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	—	—	—	8,778	—	4,387
Total	—	—	—	8,778	—	4,387

Forecast Operating Cost Statement

	£000					
	2002–03		2001–02		2000–01	
	Provision		Provision		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		–12,028		–21,064		–5,327
Net programme costs:						
Request for Resources 1	12,249		21,416		5,328	
Total net programme costs		12,249		21,416		5,328
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
	provision		provision		outturn		
	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		Provision		Outturn		
	Income	Receipts	Income	Receipts	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

	Voted	Non-Voted	£000s 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:

	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	7	8	9	10	
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
				51
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) 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 Provision	2000-01 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: 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	836,788	695,523	2,024,158	55,968	1,968,190	159,884	9,215	2,640,192	3,534,238
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government spending</i>									
★A Protecting and improving rural, urban and global environment (EN)									
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	123,110	369	11	118,715	80,772
D Promoting a sustainable, competitive and safe food supply chain (FS)									
—	9,052	—	9,052	300	8,752	—	—	40,702	61,311
★E Improving enjoyment of an attractive and well-managed countryside (AC)									
10,453	123,617	23,633	157,703	221	157,482	30	—	146,399	97,147
★F Promoting sustainable, diverse, modern and adaptable farming (AF)									
31,816	85,223	556	117,595	3,656	113,939	26,729	11	192,516	166,512
★G Promoting management and prudent use of natural resources (NR)									
10,532	29,671	6,959	46,562	198	46,364	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	168,540	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									
114,180	6,704	431	121,315	9,025	112,290	44,850	9,187	172,135	170,425
★K Agencies									
134,615	–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)									
2,041	3,638	—	5,679	—	5,679	—	—	248,586	608,693
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)									
10,030	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	33,750
W Agencies									
20,158	—	—	20,158	—	20,158	—	—	21,832	24,554

Part II: Subhead detail (continued)

Resources						Capital	2002-03	2001-02 Provision	2000-01 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	
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
X	EC Receipts	—	—	-16,335	-16,335	643	-16,978	—	-16,978	-11,281
Y	Protecting 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	19,927
AA	Promoting a sustainable, competitive and safe good 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	215,789	120,270
AC	Promoting sustainable, diverse, modern and adaptable farming (AF)	—	—	3,619	3,619	8	3,611	—	8,281	-17,205
AD	Promoting management and prudent use of natural resources (NR)	—	—	3,274	3,274	—	3,274	—	3,258	2,087
AE	Protecting public interest in relation to environmental impacts and health (PI)	—	—	8,076	8,076	4	8,072	—	10,889	5,160

Part II: Subhead detail (*continued*)

£'000

	Resources					Capital	2002-03	2001-02 Provision	2000-01 Outturn	
	1	2	3	4	5					
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	8 Non- operating AinA	9 Net Total Resource	10 Net Total Resources
RfR 02: 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	—	555,678	199,227
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Support for Local Authorities</i>										
★A Promoting a sustainable, competitive and safe good supply chain (FS)	—	—	500	500	—	500	—	—	1,365	
★B Promoting sustainable, diverse, modern and adaptable farming (AF)	—	—	500	500	—	500	—	—	1,366	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
C Protecting and improving rural, urban and global environment (EN)	—	20,478	—	20,478	8	20,478	—	—	11,746	8,889
D Promoting a sustainable, competitive and safe good supply chain (FS)	—	795,223	—	795,223	4,740	740,483	79	—	828,812	664,855
E Improving enjoyment 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	1,015,608
G Promoting management and prudent use of natural resources (NR)	—	29,478	—	29,478	8	20,470	—	—	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	—	—	3,161	3,872
J Promoting sustainable, diverse, modern and adaptable farming (AF)	—	—	3,248	3,248	—	3,248	—	—	3,154	3,870
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	—	—	819,455	427,448
L Promoting sustainable, diverse, modern and adaptable farming (AF)	—	9,845	367,040	376,885	2,236,136	-1,859,251	—	—	-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 enjoyment of an attractive and well-managed countryside (AC)	—	—	—	—	—	—	—	—	-5,327	
P Protecting and improving rural, urban and global environment (EN)	—	—	—	—	—	—	—	—	15,981	
Total	491,847	2,780,466	1,398,950	4,671,263	2,462,974	2,208,289	160,042	9,215	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
Less 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):

	2002–03		2001–02		2000–01		£000
	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

	2002–03	2001–02	2000–01	£000
	provision	provision	provision	
Net Administration Costs				
Request for Resources 1	451,440	514,086	410,900	
Total Net Administration costs	451,440	514,086	410,900	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	3,261,867
TOTAL NET OPERATING COST	2,185,081	3,154,427	3,672,767	3,672,767
<i>of which:</i>				
NET RESOURCE OUTTURN	2,208,289	3,195,870	3,733,465	3,733,465
CFERs	– 23,208	– 41,443	– 60,698	
Non-voted expenditure	—	—	—	
RESOURCE BUDGET OUTTURN	3,932,183	4,549,897	5,627,226	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 privatesector, 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
RfR1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety, environmental care and animal welfare from a sustainable, efficient food chain, and to contribute to the well-being of rural and coastal communities			
Detail	Economic Category		
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 RfR1		55,968*	9,215**

* Amount that may be applied as Appropriations-in-Aid in addition to the net total, arising from eligible expenditure on farm grants, monitoring of Arable Area Payments Scheme, the UK Register of Organic Food Standards, decommissioning of fishing vessels, EC Leader Programme and Sector Challenge Grants. Receipts resulting from projects under the Wider Markets Initiative. Receipts from sale of carcasses and vaccine relating to Brucellosis and Tuberculosis eradication. Receipts from fees and charges on Local Veterinary Inspectors' work, public enquiries on salmon, whaling and inland fisheries, certification testing, National List and plant breeders' rights, commissioned surveys, studies and advice. Repayments of ATB Landbase redundancy fund and loans, SFIA loan capital and refund of SFIA grants. Rental income from ATB Landbase and from land managed by the 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	—
EZ: 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	—
HZ: 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
RfR2: 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
RfR1 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:

	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

£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: Protecting and expanding Britains 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>										
B Forestry: Grant in Aid										
—	5,500	—	5,500	—	5,500	—	—	503,300	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	—	—	3,433	–1,889	
Total	—	100,265	2,500	102,765	—	102,765	850	—	612,064	117,744

Part II: Resource to Cash reconciliation

£000

	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

	£
RfR1: 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:

RfR1: Regulation of the Water Industry

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

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

	Net Total £	Allocated in Vote on Account £	Balance to Complete/Surrender £
RfR1	1,000	16,000	– 15,000
Net cash requirement	35,000	16,000	19,000

Part II: Subhead detail

£000

Resources						Capital	2002–03	2001–02 Provision	2000–01 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
RfR1: 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	–295
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Non-Cash items</i>									
B Office of Water Services									
—	525	15	540	—	540	—	—	300	296
Total	11,341	525	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 CFERd	—	—	—
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):

	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

	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	2001–02	2000–01
	Provision	Provision	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	2001–02	2000–01
	Provision	Provision	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			£000s
	Voted	Non-Voted	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 8 Non- operating AinA	2001–02 Provision 9 Net Total Resource	2000–01 Outturn 10 Net Total Resources	
	1 Admin	2 Other current Grants	3	4 Gross Total	5 AinA	6 Capital Net Total				7 Capital
RfR1: Improving the quality of life through cultural and sporting activities	42,909	114,846	1,082,943	1,240,698	11,365	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	—	—	528	125
★B Arts										
	—	818	—	818	2	816	200	—	697	595
★C Sport										
		500	8,800	9,300	—	9,300	—	—	5,122	558
★D Historic buildings, monuments and sites										
	—	1,708	1,219	2,927	30	2,897	—	—	2,338	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	3,856	22,520	1,140	—	21,020	22,075
★G Tourism										
	—	63	—	63	—	63	—	—	63	95
★H Broadcasting and media										
		83,454	393	83,847	987	82,860	—	—	79,460	77,516
★I Administration and research										
	31,071	901	—	31,972	248	31,724	1,028	—	33,335	27,794
★J National Lottery Commission										
	—	—	—	—	4,941	–4,941	—	—	–4,993	–5,016
★K Gambling, licensing and horseracing										
			—	—	1,296	–1,296	—	—	–1,266	–1
★L Queen's Golden Jubilee										
		1	3,600	3,601	—	3,601	—	—	3,001	1
J Culture Online	—	—	—	—	—	—	—	—	4,051	635
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	565
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
O Museums, galleries and libraries										
	—	—	387,398	387,398	—	387,398	—	—	372,832	333,660
P Arts										
	—	—	295,405	295,405	—	295,405	—	—	252,455	238,179
Q Sport										
	—	—	101,800	101,800	—	101,800	—	—	63,707	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	—	—	345	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	—	—	25,301	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	—	—	3,681	1
Y Spaces for Sport and Art										
	—	—	—	—	—	—	—	—	60,000	13

Part II: Subhead detail (contd)

	Resources			Capital			2002–03 8 Non- operating AinA	2001–02 Provision 9 Net Total Resource	2000–01 Outturn 10 Net Total Resources
	1 Admin	2 Other current	3 Grants	4 Gross Total	5 AinA	6 Net Total			
RfR2: Broadening 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	3,495,582	11,365	3,484,217	2,368	3,352,093	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 AinA	2,255,881	—	2,170,722	2,165,522	2,097,889	2,071,534
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	2,255,881	—	2,170,722	2,165,522	2,097,889	2,071,534

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

	£000					
	2002–03		2001–02		2000–01	
	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	—	—	8,086	90	—	—
Government Departments	—	—	—	—	—	—
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

	£000					
	2002–03 provision		2001–02 provision		2000–01 outturn	
	Income	Receipts	Income	Receipts	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 Geffrye Museum	1,274
RfR1: P3 Horniman Museum and Gardens	3,246
RfR1: P3 Historical Manuscripts Commission	1,220
RfR1: P3 Museum of Science and Industry in Manchester	3,336
RfR1: P3 Resource—Council for Museums, Archives and Libraries	13,490
RfR1: Q3 Arts Council of England	295,405
RfR1: S3 Chatham Historic Dockyard Trust	300
RfR1: S3 Commission for Architecture and the Built Environment	3,530
RfR1: T3 Listed places of worship scheme	30,000
RfR1: V3 Film Council	24,110

Cash which may be retained to offset expenditure

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

	£000		
	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	7	8	9	10
Admin	Other current	Grants	Gross Total	AinA	Net Total	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: 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	8,721,989
<i>Non-Cash items</i>									
C Children Non-cash items									
3,781	—	-9,528	-5,747	—	-5,747	—	—	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									
2,181,246	798,623	25,965,898	28,945,767	944,364	28,001,403	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	722	1,816,014	170,762	1,645,252	17,114	930	2,147,147	2,777,777
★B Employment Programmes									
327,946	795,151	273,100	1,396,197	334	1,395,863	—	—	1,469,166	1,236,262
★C Motability administration									
—	—	2,200	2,200	121	2,079	—	—	2,079	2,099
Challenge funding and similar administrative measures									
—	—	—	—	—	—	—	—	182	-102
Housing benefit administration—new towns									
—	—	—	—	—	—	—	—	295	307
Discretionary housing payments scheme: Admin									
—	—	—	—	—	—	—	—	—	3
<i>Support for Local Authorities</i>									
★D Employment Programmes									
—	—	37,047	37,047	—	37,047	—	—	35,447	32,828
★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									
—	—	170,000	170,000	—	170,000	—	—	167,505	173,693
★G Third Party Providers									
—	—	1,376	1,376	—	1,376	—	—	2,630	—
Funding for ONE pilot scheme									
—	—	—	—	—	—	—	—	750	901
Discretionary housing payments scheme: Admin									
—	—	—	—	—	—	—	—	—	2,497
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Central Government spending</i>									
H Severe Disablement Allowance									
—	—	971,780	971,780	1,341	970,439	—	—	1,020,117	1,014,208
I Industrial injury benefits									
—	—	820,594	820,594	82,858	737,736	—	—	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	9,025,910
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						Capital	2002–03	2001–02 Provision	2000–01 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	
L	Jobseekers allowance (contribution based)	—	478,067	478,067	478,067	—	—	—	—	
M	Job grant and ETU pilot	—	24,979	24,979	—	24,979	—	23,095	4,169	
N	Grants to independent bodies	—	181,088	181,088	2,685	178,403	—	156,741	134,322	
O	Employment credits	—	97,500	97,500	—	97,500	—	86,500	42,751	
P	Employment Allowances	—	82,134	—	82,134	—	—	—	—	
	<i>Discretionary housing payments: new town</i>	—	—	—	—	—	—	10	—	
	<i>Housing benefit subsidies: new town</i>	—	—	—	—	—	—	3,443	14,979	
	<i>Support for local authorities</i>									
Q	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 rebates	—	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	—	
	<i>Discretionary rent allowance</i>	—	—	—	—	—	—	5,000	20,000	
	<i>Compensation payments to landlords</i>	—	—	—	—	—	—	20	27	
	<i>Non-cash items</i>									
U	Working age: Non cash items	41,480	29,235	70,715	—	70,715	—	22,797	19,899	
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	—	—	—	1,657	–1,657	—	–2	1,908	
	Capital Grants	—	13,022	13,022	—	13,022	5,000	5,001	4,116	
	RfR3: Combating poverty and promoting security and independence in retirement for today's and tomorrow's pensioners	383,204	8,000	17,928,027	18,319,231	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	148,047	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	—	3,122,947	2,955,121	
D	Disability Living Allowance	—	6,995,960	6,995,960	—	6,995,960	—	6,570,695	6,043,578	
E	Invalid Care Allowance	—	982,059	982,059	—	982,059	—	932,302	867,011	
F	Income Support for the Elderly	—	4,274,899	4,274,899	—	4,274,899	—	4,540,429	4,095,317	

Part II: Subhead detail (Continued)

£'000s

Resources						Capital	2002–03	2001–02 Provision	2000–01 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
G	TV licences for over 75s	—	380,025	380,025	—	380,025	—	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	2,015,850
J	OPRA (Grant in Aid)	—	16,364	16,364	—	16,364	—	17,249	10,786
K	Disability Rights Commission (Grant in Aid)	—	11,275	11,275	—	11,275	—	13,664	12,051
RfR4: 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	—	—	171,700	67,776	103,924	53,400	464,884	—
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Non-Cash items</i>									
B	Modernisation Non-cash items	—	—	47,960	—	47,960	—	23,100	—
RfR5: Corporate Contracts and Support Services									
	1,460,285	1,665	126,063	1,588,013	692,357	895,656	41,764	1,076,072	247,284
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government spending</i>									
★A Corporate administration									
	1,450,875	1,665	26,061	1,478,601	592,091	886,510	41,764	1,066,776	144,135
★B European Social Fund									
	—	—	1	1	—	1	—	1	1
★C European Social Fund payments in advance of receipts									
	—	—	80,000	80,000	—	80,000	—	90,000	82,159
<i>Support for Local Authorities</i>									
★D European Social Fund									
	—	—	1	1	—	1	—	1	1
★E European Social Fund payments in advance of receipts									
	—	—	20,000	20,000	—	20,000	—	35,000	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	–99,998	—	–124,998	–25,273
H	Profit/Loss on asset disposals	—	—	—	268	–268	—	—	8,285
Total	4,492,065	808,288	52,957,273	58,257,626	1,878,875	56,378,751	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	
Less Non-operating A-in-A	<u>7,631</u>	<u>7,631</u>	<u>2,056</u>	
	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	<u>4,500</u>	<u>4,500</u>	<u>7,934</u>	
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 and 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

	£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
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*)

	2002–03		2001–02		2000–01		£000s
	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							
Motability 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)

	£000s					
	2002–03		2001–02		2000–01	
	provision		provision		outturn	
	Operating	Non-operating	Operating	Non-operating	Operating	Non-operating
	AinA	AinA	AinA	AinA	AinA	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.

	£000s					
	2002–03		2001–02		2000–01	
	provision		provision		outturn	
	Operating	Non-operating	Operating	Non-operating	Operating	Non-operating
	AinA	AinA	AinA	AinA	AinA	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*)

RfR5: 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	outturn
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 RfR5:	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:

2002–03 <i>(Provision)</i>	2001–02 <i>(Provision)</i>	2000–02 <i>(Outturn)</i>
1,886,506	3,733,304	1,688,401

£000s

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

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.

12,000

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

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

Unquantifiable

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

10,000

Scotland Office

Introduction

1. This 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 Provision	2000-01 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	
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	14,103,787	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
★A Scotland Office										
7,467	—	—	7,467	965	6,502	100	—	6,836	6,076	
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 Grant payable to the Scottish Consolidated Fund										
—	—	16,556,000	16,556,000	—	16,556,000	—	—	16,253,279	14,097,101	
Total	8,007	300	16,556,000	16,564,307	965	16,563,342	100	—	16,260,932	14,103,787

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	
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	
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	<i>42,275</i>	24,083	<i>24,083</i>	42,275	<i>42,275</i>	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	—	—	—	—	—	—
Total	42,275	<i>42,275</i>	24,083	<i>24,083</i>	42,275	<i>42,275</i>	—

Forecast Operating Cost Statement

	2002–03		2001–02		2000–01		£000
	Provision		Provision		Outturn		
Net administration costs							
Request for Resources 1	7,042		7,353		6,563		
Net programme costs							
Request for Resources 1	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

	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: 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

	2002–03		2001–02		2000–01		£000s
	provision		provision		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	540
---------------------------------	-----

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	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 EU 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 Provision	2000–01 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	
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	2,638	
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										
—	—	8,660,096	8,660,096	—	8,660,096	—	—	7,904,651	7,595,979	
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 AinA	—	—	—	—	—	—
Non-operating income not classified as AinA	—	—	—	—	—	—
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	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

	£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: 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

	£000					
	2002–03		2001–02		2000–01	
	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 RfR1 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	7	8	9	10
Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non- operating AinA	Net Total Resource	Net Total Resources
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 risks of offending.									
150,618	878,490	156,207	1,186,065	7,431	1,178,634	55,494	869	1,174,207	968,295
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)									
<i>Central Government spending</i>									
★A Central Administration (RfR4)									
22,989	13,650	—	36,639	2,518	34,121	5,404	485	36,221	22,875
★B Ministers									
3,198	—	—	3,198	—	3,198	—	—	3,610	3,362
★C Political Directorate									
4,628	5,077	750	10,455	230	10,225	26	—	10,313	9,342
★D Bloody Sunday									
750	4,436	—	5,186	—	5,186	—	—	19,153	16,472
★E Department of the Director of Public Prosecutions									
5,894	4,601	—	10,495	86	10,409	28	—	12,753	11,911
★F 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	—	73,374	76,928
★I Matching Funding for European Union Peace & Reconciliation Programme									
—	—	—	—	—	—	—	—	180	201
★J European Union Peace & Reconciliation Programme									
—	—	—	—	—	—	—	—	—538	—603
★K Policing & Security									
3,861	7,486	6,396	17,743	10	17,733	2	—	20,523	19,267
★L Police									
—	592,159	—	592,159	—	592,159	19,907	—	625,989	590,045
★M Policing—Severance									
—	146,428	—	146,428	—	146,428	—	—	96,861	25,357
★N Policing—Non Severance									
—	10,800	—	10,800	—	10,800	15,000	—	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 Police Pensions									
—	—	35,700	35,700	—	35,700	—	—	47,840	3,100
Q European Union Peace & Reconciliation Programme									
—	—	—	—	—	—	—	—	—538	—603
<i>Non-Cash items</i>									
R Central Administration (RfR4)									
—	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	—	—	386	377
X Compensation Agency									
—	180	—	180	—	180	—	—	76	—247
Y Policing & Security									
—	826	—	826	—	826	—	—	826	482
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	3,251
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
AB Criminal Justice									
—	—	4,352	4,352	—	4,352	—	—	9,380	428
Policing & Security									
—	—	—	—	—	—	—	—	615	992

Part II: Subhead detail (*Continued*)

£'000

Resources						Capital	2002–03	2001–02 Provision	2000–01 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
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									
—	—	8,089,000	8,089,000	—	8,089,000	—	—	7,999,000	5,130,000
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
A Grants to the Northern Ireland Consolidated Fund									
—	—	8,088,999	8,088,999	—	8,088,999	—	—	7,998,999	5,129,999
B European Institutions (Net)									
—	—	1	1	—	1	—	—	1	1
150,618	878,490	8,245,957	9,257,065	7,431	9,267,634	55,494	869	9,173,207	6,098,295

Part II: Resource to Cash reconciliation

£'000

	2002–03 Provision	2001–02 Provision	2000–01 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

£'000

	2002–03 provision	2001–02 provision	2000–01 provision
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

	2002–03		2001–02		2000–01		£000
	provision		provision		outturn		
	Operating	Non-operating	Operating	Non-operating	Operating	Non-operating	
	AinA	AinA	AinA	AinA	AinA	AinA	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	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: 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	—	55,835	49,727	
B	Debt Management Office									
5,250	1,350	—	6,600	700	5,900	1,000	—	7,515	5,516	
C	Payment to FSA for carrying out of insurance and supervision responsibilities									
—	—	—	—	—	—	—	—	15,116	15,565	
D	Parliament and Privy Council									
—	—	459	459	—	459	—	—	1,327	3,654	
E	Other Services									
—	1,023	—	1,023	7	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	—	—	1,350	810	
H	Royal Mint									
—	—	—	—	—	—	—	—	250	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	2,684	
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
M	Payment under the indemnity guarantee in respect of Paymaster									
—	—	—	—	—	—	—	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	—	—	40,466	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	274,049	
RfR 03: Obtaining the best value for money from Government's commercial relationships on a sustainable basis										
47,348	–16,772	—	30,576	30,575	1	2,881	2,105	87,351	14,701	
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	7	8	9	10
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</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	459	272,321	31,390	240,931	7,561	2,105	332,227	274,049

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	–116,656	–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	Receipts	Income	Receipts	Income	Receipts
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	2,299	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

* 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	—
------------	----	---	-----	---	-----	---

*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
------------	---------	---------	--------	-------	--------	----

*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
------------	---------	---------	--------	-------	--------	---------

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 Provision	2000–01 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 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									
923,715	83,490	435	1,007,640	17,408	990,232	62,177	759	1,033,529	889,118
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	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 A in A	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

	2002–03		2001–02		2000–01	
	provision		provision		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

	£000					
	2002–03		2001–02		2000–01	
	provision		provision		outturn	
	Operating	Non-operating	Operating	Non-operating	Operating	Non-operating
	AinA	AinA	AinA	AinA	AinA	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

	£000					
	2002–03 provision		2001–02 provision		2000–01 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

£000s

	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.

Inland Revenue

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

Inland Revenue

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: Enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue										
2,808,783	-6,235	—	2,802,548	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	137,610	
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
C Administration										
—	-6,235	—	-6,235	—	-6,235	—	—	-5,235	38,180	
RfR2: Growing a contribution to the good management of property where the public interest is involved										
165,200	-139	—	165,061	165,060	1	6,870	813	2	-1,085	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
★A Administration										
156,610	—	—	156,610	165,060	-8,450	6,870	813	-7,704	-9,887	
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	
RfR3: 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	
RfR4: 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	3,187,209	579,837	2,607,372	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>	<u>3,872</u>	<u>2,920</u>	<u>324,069</u>
	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	<u>6,103</u>	<u>7,650</u>	<u>10,285</u>
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

£000

	2002-03 provision	2001-02 provision	2000-01 outturn	
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.

Inland Revenue

Analysis of Appropriations in Aid

£000s

	2002–03		2001–02		2000–01	
	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

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	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

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 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

	£
RfR1: 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:

RfR1: 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 £
RfR1	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 Provision	2000–01 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: 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	4,551	155,398	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	—	—	3,250	3,031
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
D Administration									
—	—	—	—	—	—	—	—	—	69
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

- 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.

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	9	10
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RfR1: Providing high quality financial services to public sector clients	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	—	284	40
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Non-Cash items</i>										
B Administration	57	—	—	57	—	57	—	—	54	146
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS										
<i>Administration</i>										
—	—	—	—	—	—	—	—	—	—	2
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 AinA	—	—	—	—	871	<i>864</i>	
Non-operating income not classified as AinA	—	—	—	—	—	—	
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	—	—	—	—	—	<i>47</i>	
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
<i>of which:</i>			
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 provision		2001–02 provision		2000–01 outturn		£000s
	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

	Voted	Non-Voted	£000s 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	£'000		
Resources						Capital	2001–02 Provision	2000–01 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: 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									
	134,454	1,000	—	135,454	14,410	121,044	22,491	—	187,519	138,268
★B	Customer Funded—net control									
	16,750	—	—	16,750	16,951	–201	654	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	EC 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 provision	2001–02 provision	2000–01 outturn	£000
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 CFERd				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):

	2002–03		2001–02		2000–01		£000
	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

	2001–02	2000–01	£000
	Provision	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
Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB)	171

gives:

Total net admin costs	139,880
------------------------------	----------------

of which:

Voted in OCS	133,880
--------------	---------

Non-voted administration departmental unallocated provision	6,000
---	-------

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

£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 Resource	Net Total Resources	Net Total
RfR01: Providing an actuarial consultancy service									
8,664	—	—	8,664	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	—	—	213	236
Total	8,664	—	8,664	7,768	896	231	—	688	41

Part II: Resource to Cash reconciliation

£000

	2002–03 provision	2001–02 provision	2000–01 outturn	
Net Total Resources		896	688	41
Voted Capital Items				
Capital	231	224	203	
Less Non-operating A-in-A	—	—	—	
	231	224	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	– 227	549
Excess cash to be CFERd	—	—	—	—
Net Cash Requirement	705	685	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			£000s
Administration Costs Limits			
	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

- 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 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

£000									
Resources			Capital				2002–03 8 Non- operating AinA	2001–02 Provision 9 Net Total Resources	2000–01 Outturn 10 Net Total Resources
1 Admin	2 Other current	3 Grants	4 Gross Total	5 AinA	6 Net Total	7 Capital			
RfR 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 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
Voted Capital Items				
Capital	—	—	—	
Less Non-operating A-in-A	—	—	—	
		1,911	2,075	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	

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	Balance to
	£	on Account	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 Provision	2000-01 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	
RfR1: 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	14,182	30	178,070	140,104	
★B Centre for Management and Policy Studies										
28,508	—	—	28,508	24,180	4,328	850	—	5,037	3,706	
★C Government Car and Despatch Agency										
13,613	—	—	13,613	14,913	-1,300	1,851	138	-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	—	105,570	70,265	
<i>Support for Local Authorities</i>										
★F Emergency Planning Grants										
—	—	14,038	14,038	—	14,038	—	—	18,969	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	—	—	39,286	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	—	—	8,849	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
<i>of which:</i>				
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

	2002–03		2001–02		2000–01		£000s
	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:

	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	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: 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	311,398	—	807,730	55,336	752,394	123,199	3,114	782,229	672,396
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
<i>Security and Intelligence Agencies</i>										
	—	—	—	—	—	—	—	—	31,543	27,812
<i>Non-Cash items</i>										
B Security and Intelligence Agencies	23,269	136,353	—	159,622	—	159,622	—	—	201,135	156,216
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMIT										
C Security and Intelligence Agencies	—	—	—	—	382	–382	—	—	–773	8,548
RfR2: 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 AinA	—	<i>17,889</i>	—	<i>16,650</i>	—	<i>20,943</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>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	7	8	Provision	Outturn
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RfR 1: 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	—	—	1,525,666	1,220,895
<i>Non-Cash items</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 Provision	2001–02 Provision	2000–01 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	219,409
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
			-1,705,384
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
			2,788,757
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
<i>of which:</i>			
NET RESOURCE OUTTURN		1,176,977	1,330,452
CFERs		—	-247,079
RESOURCE BUDGET OUTTURN		1,176,977	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	—	—	– 247,079
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	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
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:

	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	Provision	Outturn
	Admin	Other current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Net Total Resource	Net Total Resources
RfR1: 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>										
★A 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

	2002–03 provision	2001–02 provision	£000 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						Capital	2002-03	2001-02 Provision	2000-01 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 1: Ensuring the orderly conduct of Privy Council Office business										
2,841	—	—	2,841	40	2,801	—	—	3,214	2,951	
SPENDING IN ANNUALLY MANAGED EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
★A Administration										
2,838	—	—	2,838	40	2,798	—	—	3,211	2,954	
SPENDING IN ANNUALLY MANAGED EXPENDITURE										
<i>Central Government spending</i>										
A Administration										
3	—	—	3	—	3	—	—	3	–3	
Total	2,841	—	2,841	40	2,801	—	—	3,214	2,951	

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	
<i>Less</i> 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

	£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
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

	Gross provision	Income	Total administration costs limit
2002–03 Gross administration costs limits	2,838	—	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

£'000

	Resources						Capital 7	2002–03 8 Non- operating AinA	2001–02 Provision 9 Net Total Resource	2000–01 Outturn 10 Net Total Resources
	1 Admin	2 Other current	3 Grants	4 Gross Total	5 AinA	6 Net Total				
RfR1: 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	—	900	—	900	—	900	—	—	796	959
Total	—	16,799	—	16,799	1,000	15,799	—	—	15,760	13,553

Part II: Resource to Cash reconciliation

£000

	2002–03 provision	2001–02 provision	2000–01 outturn
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 OUTTURN	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

- 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 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 Provision	2000-01 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 1: Peers Expenses and Administration									
—	43,135	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									
—	40,165	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	650	2,293	—	—	2,558	2,364
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
D Functioning of Parliament									
—	27	—	27	—	27	—	—	27	29
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	14,596
SPENDING IN ANNUALLY MANAGED EXPENDITURE									
<i>Non-Cash items</i>									
B Works Services									
—	28,555	—	28,555	—	28,555	—	—	27,810	22,122
OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS									
C Works Services									
—	16	—	16	—	16	—	—	16	16
Total	—	89,415	260	89,675	4,372	85,303	1,292	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	<u>45</u>	<u>72</u>	<u>60</u>	
	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	<u>2,410</u>	<u>2,658</u>	<u>1,779</u>	
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	<u>46,122</u>	<u>40,656</u>	<u>36,734</u>	
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

	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: 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 to be applied as operating appropriations in aid under 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	
RfR1: Members salaries etc										
—	130,807	—	130,807	—	130,807	1,845	—	120,258	89,479	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government spending</i>										
A House of Commons—Members salaries etc										
—	128,615	—	128,615	—	128,615	1,845	—	118,522	89,479	
B House of Commons—Members salaries etc										
—	2,192	—	2,192	—	2,192	—	—	1,736	—	
RfR2: 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 property 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.

