
Central Government Supply Estimates

2002–03

for the year ending 31 March 2003

Main Supply Estimates

*Presented by Command of Her Majesty
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9 May 2002

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Section 1. Introduction

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

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

2002–2003 Main Supply Estimates

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

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

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

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

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

Section 1.
Introduction

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

Section 2. Format of Resource-based Supply Estimates

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

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

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

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

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

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

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

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

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

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

Section 2.

Format of Resource-based Supply Estimates

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

Spending in Departmental Expenditure Limits

Central Government spending

Support for Local Authorities

Spending in Annually Managed Expenditure

Central Government spending

Support for Local Authorities

Non-cash items

Other spending outside Departmental Expenditure Limits

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

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

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

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

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

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

Section 2. Format of Resource-based Supply Estimates

17. Unlike resource expenditure gross capital provision may be vired between RFRs with the agreement of the Treasury.

18. The final two columns of the Estimate show net total resource figures for the two prior years. These figures are for comparative purposes and will, as before, be adjusted as far as possible to be consistent with the Estimate format for the coming year.

19. A detailed explanation of the reconciliation between the net resource total and the net cash requirement is shown in the second section of Part II. Capital expenditure is outside the Resource Budget, but the cash required to finance capital expenditure has to be provided. This therefore forms part of the cash requirement, which means that capital expenditure is added to the net resource total. Non-cash items, which were included in the Resource Budget, are then removed (eg capital charges and depreciation), and the cash effects of various adjustments relating to working capital changes (stock, debtors and creditors) and changes in provisions are shown. An adjustment may also be required to identify any excess cash to be surrendered as CFERs, where a department would otherwise have a negative cash requirement.

20. The net effect of these changes results in the identification of the department's Net Cash Requirement, which is the amount of cash required from the Consolidated Fund in the year in question for the department to carry out its business as specified in the Ambit and is also subject to Parliamentary control.

21. **Part III** of the Estimate shows the extra receipts payable to the Consolidated Fund. This seeks to notify Parliament of the department's forecast of surplus income not appropriated in aid and extra cash receipts to be paid directly to the Consolidated Fund and not retained by the department. Amounts are consequently shown both for forecast income and forecast cash receipts. Prior year data analysed by income and cash receipts are also shown.

Other statements and notes

22. Resource Estimates are accompanied by a **Forecast Operating Cost Statement** reflecting the format of the outturn Operating Cost Statement to be included in the departmental resource accounts. There are also two reconciliation tables; one showing the reconciliation of the Resource Estimate, to the Accounts to Budgets; and another showing the reconciliation of the Capital Estimate and the Budget. These tables will also include expenditure by, and income received in, the department, which is not voted by Parliament. The Estimates are accompanied by notes providing additional information to Parliament about the specific nature of the department's plans, details of grants in aid, changes in accounting policies etc.

23. The Estimates and supporting statements and notes provide an explanation of the expenditure that the Government proposes to finance from funds made available by Parliament. As before, further information can be provided to Select Committees through their consideration of Estimates or to the whole House through debates.

Contingent liabilities

24. The Notes to each Estimate include details, where appropriate, of any contingent liabilities in force, which, if they matured, would involve the voting of additional expenditure through the Estimate.

Appropriations in Aid

25. A Treasury Minute under the Government Resources and Accounts Act 2000 has today been laid before Parliament directing that certain income specified in the Estimates may be applied as appropriations in aid of resources authorised by Parliament to be used for the service of the year ending 31 March 2003. The source of all types of income to be appropriated in aid is explained in an analysis in the form of a Note to each Estimate which provides a breakdown of forecast Appropriations in Aid (AinA) for 2002-03 and comparison with the two prior years. Each table distinguishes where appropriate between operating AinA and non-operating AinA (the latter mainly the proceeds from asset sales).

26. Each Note to the Estimate includes comprehensive AinA footnotes ordered so that resource AinA items are listed first followed by non-operating AinA items. Failure to

Section 2. Format of Resource-based Supply Estimates

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

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

Public Expenditure:

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

Statutory authority for expenditure:

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

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

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

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

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

Section 3. Parliamentary Procedure

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

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

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

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

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

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

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

Section 3. Parliamentary Procedure

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

Section 3. Parliamentary Procedure

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

Parliamentary debate

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

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

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

Parliamentary Timetable

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

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

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

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

Consolidated Fund standing services

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

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

Section 4. Summary of Supply Estimates

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

| RfR Service | 2000–01 (1) Outturn | | 2001–02 (1) Total provision | | Forecast outturn | | 2002–03 Total provision | |
|--|------------------------|-------------------------|--------------------------------|-------------------------|----------------------|-------------------------|----------------------------|-------------------------|
| | Net resources (2) | Net cash requirement | Net resources (2) | Net cash requirement | Net resources (2) | Net cash requirement | Net resources (2) | Net cash requirement |
| Department for Education and Skills | 15,830,381 | 16,902,260 | 19,571,966 | 21,099,836 | 18,808,590 | 20,253,905 | 22,289,594 | 23,535,975 |
| 1 To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills | 15,774,596 | | 19,268,615 | | 18,653,554 | | 21,691,108 | |
| 2 Promoting the physical, intellectual and social development of babies and young children through Sure Start | 55,785 | | 205,278 | | 120,963 | | 448,486 | |
| 3 Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund | — | | 98,073 | | 34,073 | | 150,000 | |
| Teachers Pension Scheme | 1,642,983 | 1,642,437 | 1,700,001 | 1,700,001 | 1,700,001 | 1,700,001 | 1,760,000 | 1,760,000 |
| 1 Teachers' Pensions | 1,642,983 | | 1,700,001 | | 1,700,001 | | 1,760,000 | |
| Office of Her Majesty's Chief Inspector of Schools in England | 104,228 | 102,246 | 155,428 | 167,470 | 155,428 | 167,470 | 199,011 | 196,882 |
| 1 Improving the quality and standards of education and childcare through independent inspection, regulation & advice | 104,228 | | 155,428 | | 155,428 | | 199,011 | |
| Department of Health | 38,956,602 | 38,845,473 | 44,820,978 | 44,189,548 | 44,670,978 | 43,964,548 | 49,124,711 | 49,077,072 |
| 1 Securing health care for those who need it | 37,425,054 | | 42,762,478 | | 42,612,478 | | 46,220,700 | |
| 2 Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health | 1,531,548 | | 2,058,500 | | 2,058,500 | | 2,904,011 | |
| National Health Service Pension Scheme | 735,904 | 622,406 | 172,752 | 232,898 | 172,752 | 232,898 | 50,200 | 45,750 |
| 1 National Health Service Pension Scheme | 735,904 | | 172,752 | | 172,752 | | 50,200 | |
| Food Standards Agency | 82,259 | 88,147 | 125,465 | 123,255 | 125,465 | 123,255 | 120,349 | 117,675 |
| 1 Protecting and promoting public health in relation to food | 82,259 | | 125,465 | | 125,465 | | 120,349 | |
| Department for Transport, Local Government and the Regions | 48,359,381 | 45,761,623 | 55,306,073 | 52,620,139 | 54,427,105 | 51,663,133 | 56,670,317 | 54,044,653 |
| 1 Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action, and improving health and safety | 6,089,857 | | 8,082,692 | | 7,595,189 | | 9,107,626 | |
| 2 Promoting modern, integrated and safe transport and providing customer – focused regulation | 6,562,579 | | 9,191,582 | | 9,022,128 | | 9,260,754 | |
| 3 Promoting a system of elected government responding to the needs of local communities | 35,242,001 | | 37,501,896 | | 37,350,730 | | 37,800,698 | |
| 4 Providing for the administration of the Department for Transport, Local Government and the Regions and the Health and Safety Commission in meeting their objectives | 464,944 | | 529,903 | | 459,058 | | 501,239 | |
| Office of the Rail Regulator | 1,398 | 254 | 199 | 1 | — | — | 1 | 2,153 |
| 1 To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulations | 1,398 | | 199 | | — | | 1 | |

Section 4.
Summary of Supply Estimates

Table 2 Supply Estimates by department and request for resources (Continued) £000s

| RfR Service | 2000–2001 | | 2001–2002 (1) | | Forecast | | 2002–2003 | |
|--|---------------------------------|-------------------------|---|-------------------------|---------------------------------|-------------------------|---|-------------------------|
| | Outturn Net resources (2) | Net cash requirement | Total provision Net resources (2) | Net cash requirement | outturn Net resources (2) | Net cash requirement | Total provision Net resources (2) | Net cash requirement |
| Home Office | 9,070,693 | 8,794,221 | 10,587,122 | 10,626,249 | 10,421,122 | 10,320,249 | 10,347,036 | 10,227,494 |
| 1 Building a safe, just and tolerant society | 6,941,823 | | 8,346,354 | | 8,184,354 | | 8,018,460 | |
| 2 Protecting the public by holding prisoners in decent conditions and reducing re – offending after release | 2,128,870 | | 2,240,768 | | 2,236,768 | | 2,328,576 | |
| Charity Commission | 21,281 | 21,920 | 23,063 | 23,560 | 23,063 | 23,560 | 25,785 | 26,244 |
| 1 Giving the public confidence in the integrity of charity | 21,281 | | 23,063 | | 23,063 | | 25,785 | |
| Lord Chancellor's Department | 2,507,409 | 2,390,220 | 2,780,918 | 2,662,145 | 2,780,918 | 2,662,145 | 2,670,071 | 2,519,462 |
| 1 To promote the development of a modern, fair, cost effective and efficient system of justice for all | 2,507,409 | | 2,780,918 | | 2,780,918 | | 2,670,071 | |
| Northern Ireland Court Service | 70,749 | 60,770 | 85,683 | 85,643 | 80,209 | 78,108 | 95,434 | 88,034 |
| 1 Supporting the effective and efficient administration of justice in Northern Ireland | 29,259 | | 37,609 | | 34,609 | | 52,546 | |
| 2 Enabling the Legal Aid Department of the Law Society of Northern Ireland to provide timely, accurate and cost effective legal aid administration and expenditure control | 41,490 | | 48,074 | | 45,600 | | 42,888 | |
| Public Record Office | 28,789 | 21,104 | 35,715 | 25,731 | 32,365 | 23,731 | 35,496 | 27,148 |
| 1 Assisting and promoting the study of the past in order to inform the present and the future | 28,789 | | 35,715 | | 32,365 | | 35,496 | |
| The Crown Prosecution Service | 347,800 | 354,584 | 407,635 | 412,781 | 392,635 | 395,742 | 397,598 | 392,942 |
| 1 Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions | 347,800 | | 407,635 | | 392,635 | | 397,598 | |
| Serious Fraud Office | 20,049 | 19,660 | 21,250 | 21,850 | 21,250 | 21,850 | 21,750 | 22,350 |
| 1 Reducing fraud and the cost of fraud and delivering justice and the rule of law | 20,049 | | 21,250 | | 21,250 | | 21,750 | |
| HM Procurator General & Treasury Solicitor | 9,569 | 7,533 | 14,998 | 13,494 | 14,998 | 13,494 | 14,543 | 14,806 |
| 1 Providing comprehensive & competitive legal services to government departments & publicly funded bodies | 9,569 | | 14,998 | | 14,998 | | 14,543 | |
| Ministry of Defence | 34,761,463 | 24,964,008 | 32,999,716 | 27,188,128 | 32,869,839 | 27,048,251 | 32,815,674 | 26,091,927 |
| 1 Provision of Defence Capability | 33,349,681 | | 31,185,847 | | 31,185,847 | | 31,287,813 | |
| 2 Conflict prevention | | | 573,177 | | 443,300 | | 341,141 | |
| 3 War Pensions and Allowances, etc | 1,411,782 | | 1,240,692 | | 1,240,692 | | 1,186,720 | |
| Armed Forces Retired Pay, Pensions etc | 1,231,598 | 1,222,435 | 1,426,001 | 1,444,001 | 1,426,001 | 1,444,001 | 1,401,131 | 1,412,956 |
| 1 Armed Forces Retired Pay, Pensions etc | 1,231,598 | | 1,426,001 | | 1,426,001 | | 1,401,131 | |
| Foreign and Commonwealth Office | 1,544,578 | 1,317,252 | 1,447,709 | 1,391,604 | 1,447,709 | 1,391,604 | 1,512,870 | 1,445,828 |
| 1 Promoting internationally the interests of the UK and contributing to a strong world community | 1,544,578 | | 1,236,201 | | 1,236,201 | | 1,266,725 | |
| 2 Conflict Prevention | | | 211,508 | | 211,508 | | 246,145 | |
| International Development | 2,376,358 | 2,113,649 | 2,562,803 | 2,497,192 | 2,496,789 | 2,447,192 | 2,567,221 | 2,528,185 |
| 1 Eliminating Poverty in Poorer Countries | 2,376,358 | | 2,534,553 | | 2,468,539 | | 2,531,567 | |
| 2 Conflict Prevention | | | 28,250 | | 28,250 | | 35,654 | |
| DFID: Overseas Superannuation | 123,486 | 123,944 | 121,070 | 121,070 | 121,070 | 121,070 | 118,334 | 118,334 |
| 1 Overseas Superannuation | 123,486 | | 121,070 | | 121,070 | | 118,334 | |
| Department of Trade and Industry | 6,725,206 | 3,772,733 | 4,435,995 | 4,831,658 | 4,435,995 | 4,831,658 | 4,287,730 | 4,320,794 |
| 1 Increasing UK Competitiveness | 5,182,475 | | 2,643,118 | | 2,643,118 | | 2,407,346 | |
| 2 Increasing Scientific Excellence in the UK and maximising its contribution to society | 1,542,731 | | 1,792,877 | | 1,792,877 | | 1,880,384 | |

Section 4.
Summary of Supply Estimates

| Table 2 Supply Estimates by department and request for resources (Continued) | | | | | | | | | |
|--|----------------------|--------------------|------------------------|--------------------|----------------------|--------------------|------------------------|--------------------|--|
| £000s | | | | | | | | | |
| RfR Service | 2000–2001 | | 2001–2002 (1) | | Forecast | | 2002–2003 | | |
| | Outturn | | Total provision | | outturn | | Total provision | | |
| | Net | Net cash | Net | Net cash | Net | Net cash | Net | Net cash | |
| | resources (2) | requirement | resources (2) | requirement | resources (2) | requirement | resources (2) | requirement | |
| British Trade International | 92,742 | 93,516 | 88,527 | 89,114 | 76,610 | 76,949 | 92,209 | 92,379 | |
| 1 Enhanced competitiveness of companies in the UK through overseas sales and investment; and a continuing high level of quality, foreign and direct investment | 92,742 | | 88,527 | | 76,610 | | 92,209 | | |
| Department of Trade and Industry: United Kingdom Atomic Energy Authority Superannuation Schemes | 146,542 | 146,542 | 133,525 | 133,501 | 133,525 | 133,501 | 136,524 | 136,500 | |
| 1 Effective management of United Kingdom Atomic Energy Authority Superannuation Schemes | 146,542 | | 133,525 | | 133,525 | | 136,524 | | |
| Export Credits Guarantee Department | 114,311 | 1,271,109 | 330,308 | 1,041,929 | 330,308 | 1,041,929 | 226,633 | 368,583 | |
| 1 Export Finance Assistance | 154,909 | | 315,124 | | 315,124 | | 226,632 | | |
| 2 Trading Operations | –40,598 | | 15,184 | | 15,184 | 1 | | | |
| Office of Fair Trading | 29,898 | 30,738 | 44,084 | 41,438 | 44,084 | 41,438 | 50,943 | 50,768 | |
| 1 Advancing and safeguarding the economic interests of UK consumers | 29,898 | | 44,084 | | 44,084 | | 50,943 | | |
| Office of Telecommunications | 1,251 | 903 | 1,357 | 1,725 | 1,357 | 1,725 | 759 | 544 | |
| 1 Providing the best possible deal for telecommunications customers through effective competition | 1,251 | | 1,357 | | 1,357 | | 759 | | |
| Office of Gas and Electricity Markets | 1 | 171 | 352 | 583 | 352 | 352 | 221 | 676 | |
| 1 Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry | 1 | | 2 | | 2 | | 1 | | |
| 2 Expenditure in connection with the Climate Change Levy | | | 350 | | 350 | | 220 | | |
| Postal Services Commission | –293 | 415 | 51 | 751 | 51 | 751 | 1 | 96 | |
| 1 Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition | –293 | | 51 | | 51 | | 1 | | |
| Department for Environment, Food and Rural Affairs | 3,733,465 | 1,642,240 | 3,195,870 | 5,179,903 | 3,054,003 | 5,021,936 | 2,208,289 | 2,230,676 | |
| 1 Ensuring that consumers benefit from competitively priced food produced to high standards of safety, environmental care and animal welfare form a sustainable efficient food chain, and to contribute to well-being of rural and coastal communities | 3,534,238 | | 2,640,192 | | 2,498,325 | | 1,968,190 | | |
| 2 Funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee section as economically, efficiently and effectively as possible | 199,227 | | 555,678 | | 555,678 | | 240,099 | | |
| Forestry Commission | 117,744 | 79,303 | 612,064 | 570,607 | 612,064 | 570,607 | 102,765 | 59,793 | |
| 1 Protecting and expanding Britain's woodlands and increasing their value to society and the environment | 117,744 | | 612,064 | | 612,064 | | 102,765 | | |
| Office of Water Services | 1 | 203 | 1 | 35 | 1 | 35 | 1 | 35 | |
| 1 Regulation of the Water Industry | 1 | | 1 | | 1 | | 1 | | |
| Department for Culture, Media and Sport | 3,067,172 | 3,200,678 | 3,352,093 | 3,350,514 | 3,268,447 | 3,266,868 | 3,484,217 | 3,478,787 | |
| 1 Improving the quality of life through cultural and sporting activities | 980,846 | | 1,149,363 | | 1,065,717 | | 1,229,333 | | |
| 2 Broadening access to a rich and varied cultural and sporting life through home broadcasting | 2,086,326 | | 2,202,730 | | 2,202,730 | | 2,254,884 | | |
| Department for Work and Pensions | 52,465,921 | 51,700,327 | 56,428,382 | 56,642,885 | 55,522,461 | 55,731,367 | 56,378,751 | 56,223,393 | |
| 1 Ensuring the best start for all children and ending child poverty in 20 years | 8,970,484 | | 9,167,303 | | 9,106,013 | | 9,184,819 | | |
| 2 Promoting work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need | 26,889,744 | | 27,995,421 | | 27,175,255 | | 28,001,403 | | |
| 3 Combating poverty and promoting security and independence in retirement for today's and tomorrow's pensioners | 16,358,409 | | 17,701,602 | | 17,677,137 | | 18,144,989 | | |

Section 4.
Summary of Supply Estimates

| Table 2 Supply Estimates by department and request for resources (Continued) | | | | | | | | | |
|---|----------------------|--------------------|------------------------|--------------------|----------------------|--------------------|------------------------|--------------------|--|
| £000s | | | | | | | | | |
| RfR Service | 2000–2001 | | 2001–2002 (1) | | Forecast | | 2002–2003 | | |
| | Outturn | | Total provision | | outturn | | Total provision | | |
| | Net | Net cash | Net | Net cash | Net | Net cash | Net | Net cash | |
| | resources (2) | requirement | resources (2) | requirement | resources (2) | requirement | resources (2) | requirement | |
| 4 Modernising welfare delivery so as to improve the accessibility and accuracy of services | | | 487,984 | | 487,984 | | 151,884 | | |
| 5 Corporate contracts, support services and administration of the European Social Fund for England | 247,284 | | 1,076,072 | | 1,076,072 | | 895,656 | | |
| Scotland Office | 14,103,787 | 14,103,372 | 16,260,932 | 16,280,515 | 16,260,932 | 16,260,515 | 16,563,342 | 16,562,902 | |
| 1 Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government | 14,103,787 | | 16,260,932 | | 16,260,932 | | 16,563,342 | | |
| Wales Office | 7,598,713 | 7,598,916 | 7,907,446 | 7,908,077 | 7,907,446 | 7,908,077 | 8,671,983 | 8,672,614 | |
| 1 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 | 7,598,713 | | 7,907,446 | | 7,907,446 | | 8,671,983 | | |
| Northern Ireland Office | 6,098,295 | 6,189,979 | 9,173,207 | 9,175,767 | 9,173,207 | 9,175,767 | 9,267,634 | 9,268,796 | |
| 1 Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending | 968,295 | | 1,174,207 | | 1,174,207 | | 1,178,634 | | |
| 2 Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 2000 | 5,130,000 | | 7,999,000 | | 7,999,000 | | 8,089,000 | | |
| HM Treasury | 269,049 | 2,688 | 332,227 | 247,615 | 332,227 | 247,615 | 240,931 | 183,059 | |
| 1 Raising the rate of sustainable growth, and achieving rising prosperity, through creating economic and employment opportunities for all | 212,140 | | 204,410 | | 204,410 | | 202,564 | | |
| 2 Cost effective management of the supply of coins and actions to protect the integrity of coinage | 42,208 | | 40,466 | | 40,466 | | 38,366 | | |
| 3 Obtaining the best value for money from Government's commercial relationships on a sustainable basis | 14,701 | | 87,351 | | 87,351 | | 1 | | |
| HM Customs and Excise | 954,312 | 866,430 | 1,101,574 | 1,137,123 | 1,068,431 | 1,081,520 | 1,055,887 | 1,049,170 | |
| 1 Administering the indirect tax and customs control systems fairly and efficiently and enabling individuals and businesses to understand and comply with their obligations. | 954,312 | | 1,101,574 | | 1,068,431 | | 1,055,887 | | |
| Inland Revenue | 2,269,179 | 2,100,200 | 2,555,802 | 2,537,835 | 2,445,802 | 2,417,835 | 2,607,372 | 2,536,094 | |
| 1 Enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue | 2,040,649 | | 2,266,590 | | 2,156,590 | | 2,390,871 | | |
| 2 Growing a contribution to the good management of property where the public interest is involved | -1,085 | | 2 | | 2 | | 1 | | |
| 3 Providing payments in lieu of tax relief to certain bodies | 208,803 | | 258,000 | | 258,000 | | 190,000 | | |
| 4 Making payments of rates to Local Authorities on behalf of certain bodies | 20,812 | | 31,210 | | 31,210 | | 26,500 | | |
| National Savings and Investments | 165,561 | 167,498 | 181,172 | 176,215 | 181,172 | 176,215 | 159,170 | 154,608 | |
| 1 Reducing the costs to the taxpayer of government borrowing | 165,561 | | 181,172 | | 181,172 | | 159,170 | | |
| National Investment and Loans Office | 188 | 1 | 338 | 350 | -4 | 103 | 248 | 250 | |
| 1 Providing high quality financial services to public sector clients | 188 | | 338 | | -4 | | 248 | | |

Section 4.
Summary of Supply Estimates

Table 2 Supply Estimates by department and request for resources (Continued) £000s

| RfR Service | 2000–2001 | | 2001–2002 (1) | | Forecast | | 2002–2003 | |
|--|---------------------------------|-------------------------|---|-------------------------|---------------------------------|-------------------------|---|-------------------------|
| | Outturn Net resources (2) | Net cash requirement | Total provision Net resources (2) | Net cash requirement | Outturn Net resources (2) | Net cash requirement | Total provision Net resources (2) | Net cash requirement |
| Office for National Statistics | 147,227 | 137,752 | 202,298 | 199,445 | 206,098 | 201,745 | 133,258 | 143,354 |
| 1 Providing Statistical and Registration Services | 147,227 | | 202,298 | | 206,098 | | 133,258 | |
| Government Actuary's Department | 41 | 793 | 688 | 685 | 688 | 685 | 896 | 705 |
| 1 Providing an actuarial consultancy service | 41 | | 688 | | 688 | | 896 | |
| Crown Estate | 1,914 | 1,906 | 2,075 | 2,067 | 2,075 | 2,067 | 1,911 | 1,903 |
| 1 To maintain and enhance the value of the Crown Estate and the return obtained from it | 1,914 | | 2,075 | | 2,075 | | 1,911 | |
| Cabinet Office | 246,881 | 293,095 | 357,780 | 398,952 | 357,780 | 398,952 | 314,326 | 311,739 |
| 1 Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives | 246,881 | | 357,780 | | 357,780 | | 314,326 | |
| Security and Intelligence Agencies | 864,972 | 752,276 | 1,014,134 | 773,952 | 1,014,134 | 773,952 | 944,865 | 762,876 |
| 1 Protecting and promoting the national security and economic well being of the UK | 864,972 | | 1,014,134 | | 1,014,134 | | 911,634 | |
| 2 Security Service and Secret Intelligence Service superannuation | | | | | | | 33,231 | |
| Civil Superannuation | 1,330,452 | 1,345,318 | 1,525,666 | 1,623,400 | 1,427,400 | 1,546,032 | 1,176,977 | 1,246,298 |
| 1 Civil Superannuation | 1,330,452 | | 1,525,666 | | 1,427,400 | | 1,176,977 | |
| Central Office of Information | 816 | 811 | 811 | 806 | 811 | 806 | 716 | 711 |
| 1 Achieving maximum communication effectiveness with best value for money | 816 | | 811 | | 811 | | 716 | |
| Privy Council Office | 2,951 | 3,070 | 3,214 | 3,202 | 3,214 | 3,202 | 2,801 | 2,798 |
| 1 Ensuring the orderly conduct of Privy Council Office business | 2,951 | | 3,214 | | 3,214 | | 2,801 | |
| Office of the Parliamentary Commissioner and Health Service Commissioner for England | 13,553 | 12,594 | 15,760 | 14,943 | 15,760 | 14,943 | 15,799 | 14,878 |
| 1 To undertake the work of the Parliamentary Commissioner for Administration and Health Service Commissioner for England | 13,553 | | 15,760 | | 15,760 | | 15,799 | |
| House of Lords | 67,484 | 45,743 | 74,933 | 59,763 | 74,933 | 59,763 | 85,303 | 57,408 |
| 1 Peers' Expenses and Administration | 30,750 | | 34,277 | | 34,277 | | 39,181 | |
| 2 Works Services | 36,734 | | 40,656 | | 40,656 | | 46,122 | |
| House of Commons | 94,678 | 94,678 | 125,605 | 127,882 | 113,871 | 113,762 | 136,162 | 134,122 |
| 1 Members' salaries etc | 89,479 | | 120,258 | | 108,524 | | 130,807 | |
| 2 Grants to other bodies | 5,199 | | 5,347 | | 5,347 | | 5,355 | |
| House of Commons: administration | 104,655 | 160,507 | 199,795 | 86,576 | 192,795 | 60,264 | 213,382 | 141,175 |
| 1 House of Commons: administration | 104,655 | | 198,736 | | 191,736 | | 212,202 | |
| 2 Grants to other bodies | | | 1,059 | | 1,059 | | 1,180 | |
| National Audit Office | 42,844 | 45,066 | 49,628 | 49,305 | 45,339 | 49,145 | 48,025 | 51,614 |
| 1 Providing independent assurance to Parliament on central government expenditure | 42,844 | | 49,628 | | 45,339 | | 48,025 | |
| Electoral Commission | 694 | 1,398 | 7,516 | 8,924 | 6,350 | 6,778 | 20,284 | 20,346 |
| 1 Electoral Commission | 694 | | 7,516 | | 6,350 | | 20,284 | |
| <i>Registry of Friendly Societies</i> | — | <i>2,415</i> | — | <i>2,780</i> | — | <i>2,110</i> | — | |
| Total | 258,699,165 | 241,241,530 | 284,081,755 | 279,347,418 | 280,498,006 | 275,317,176 | 290,867,441 | 281,976,314 |

(1) Figures for 2000–01 and 2001–02 are the best available estimates of the outturn and provision in those years adjusted for transfer, classification and machinery of government changes to reflect the 2002–03 Estimate structure.
(2) Total resources net of operating appropriations in aid.

Department for Education and Skills

Introduction

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

Part I

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

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

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

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

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

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

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

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

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

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

Part II: Subhead detail

£'000

| Resources | | | | | | Capital | 2002–03 | 2001–02 | 2000–01 |
|---|---------------|------------|-------------|--------|------------|-----------|--------------------|--------------------|---------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | Provision | Outturn |
| Admin | Other current | Grants | Gross Total | AinA | Net Total | Capital | Non-operating AinA | Net Total Resource | Net Total Resources |
| RfR1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning, releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills | | | | | | | | | |
| 220,425 | 315,024 | 21,165,938 | 21,701,387 | 10,279 | 21,691,108 | 2,216,784 | 326,931 | 19,268,615 | 15,774,596 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| ★A Support for Schools and Teachers not paid through Local Education Authorities | | | | | | | | | |
| — | 15,000 | 647,311 | 662,311 | 865 | 661,446 | — | — | 490,144 | 412,797 |
| ★B Childcare | | | | | | | | | |
| — | — | 186,201 | 186,201 | 1 | 186,200 | — | — | 164,800 | 64,733 |
| ★C Support for Young People | | | | | | | | | |
| — | 34,366 | 483,906 | 518,272 | — | 518,272 | — | — | 401,996 | 1,122,449 |
| ★D Higher Education | | | | | | | | | |
| — | 6,892 | 150,905 | 157,797 | 76 | 157,721 | — | — | 171,723 | 130,149 |
| ★E Further Education, Adult Learning and Skills and Lifelong Learning | | | | | | | | | |
| — | 227,156 | 321,336 | 548,492 | 1,100 | 547,392 | 20,000 | — | 473,340 | 518,341 |
| F Support for Students in Higher Education | | | | | | | | | |
| — | — | 1,455,439 | 1,455,439 | — | 1,455,439 | — | — | 1,476,577 | 1,146,885 |
| ★G Activities to Support all Functions | | | | | | | | | |
| 210,636 | 31,610 | 1,030 | 243,276 | 8,027 | 235,249 | 10,074 | 575 | 244,297 | 233,794 |
| H Compensation to Former College of Education Staff | | | | | | | | | |
| — | — | 10,951 | 10,951 | — | 10,951 | — | — | 11,161 | 5,223 |
| <i>Support for Local Authorities</i> | | | | | | | | | |
| ★I Grants for Local Education Authorities to Support Schools and Teachers | | | | | | | | | |
| — | — | 3,180,322 | 3,180,322 | — | 3,180,322 | 610 | 1,356 | 2,981,314 | 2,073,920 |
| J Higher Education Fees and Awards through Local Education Authorities | | | | | | | | | |
| — | — | 60,400 | 60,400 | — | 60,400 | — | — | 121,800 | 317,999 |
| ★K Education Maintenance Allowances | | | | | | | | | |
| — | — | 186,305 | 186,305 | — | 186,305 | — | — | 170,925 | — |
| ★L Learning Partnership Fund | | | | | | | | | |
| — | — | 6,300 | 6,300 | — | 6,300 | — | — | — | 4,926 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | |
| M Cost of Capital, Depreciation and Provision | | | | | | | | | |
| 9,789 | — | — | 9,789 | — | 9,789 | — | — | 12,389 | 11,060 |
| Interest Receipts on loans to VA Schools | | | | | | | | | |
| — | — | — | — | — | — | — | — | –294 | — |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | |
| N Capital Grants to Schools and Other Educational Institutions plus Grant in Aid to NDPBs | | | | | | | | | |
| — | — | 2,160,439 | 2,160,439 | 210 | 2,160,229 | — | — | 2,116,515 | 1,757,464 |
| O Childcare Capital | | | | | | | | | |
| — | — | 3,000 | 3,000 | — | 3,000 | — | — | — | — |
| P Capital Support for Young People | | | | | | | | | |
| — | — | 5,520 | 5,520 | — | 5,520 | — | — | 15,000 | — |
| Q Loans, Capital Grants and Grant in Aid to NDPBs supporting Higher Education | | | | | | | | | |
| — | — | 4,958,518 | 4,958,518 | — | 4,958,518 | 2,186,100 | 325,000 | 4,700,179 | 4,364,635 |
| R Capital Grants Supporting Further and Adult Education and Grants in Aid to NDPBs | | | | | | | | | |
| — | — | 7,348,055 | 7,348,055 | — | 7,348,055 | — | — | 5,715,549 | 3,606,132 |
| Activities to Support all Functions—outside DEL | | | | | | | | | |
| — | — | — | — | — | — | — | — | 1,200 | 4,089 |

Part II: Subhead detail

£'000

| | Resources | | | | | | Capital | 2002–03 | 2001–02 | 2000–01 |
|--|----------------|----------------|-------------------|-------------------|---------------|-------------------|------------------|--------------------|--------------------|---------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | Admin | Other current | Grants | Gross Total | AinA | Net Total | Capital | Non-operating AinA | Net Total Resource | Net Total Resources |
| RfR2: Promoting the physical intellectual and social development of babies and young children through Sure Start | 4,099 | 5,711 | 438,676 | 448,486 | — | 448,486 | 1,025 | — | 205,278 | 55,785 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★A Sure Start Administration Costs and Current Grants | 4,099 | 5,600 | 275,693 | 285,392 | — | 285,392 | 1,025 | — | 125,833 | 36,598 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| B Depreciation and Cost of Capital on Non-civil Estate | — | 111 | — | 111 | — | 111 | — | — | — | — |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | | |
| C Sure Start Capital Grants | — | — | 162,983 | 162,983 | — | 162,983 | — | — | 79,445 | 19,187 |
| RfR3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund | 4,435 | — | 145,565 | 150,000 | — | 150,000 | — | — | 98,073 | — |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★A The Children's Fund | 4,435 | — | 145,565 | 150,000 | — | 150,000 | — | — | 98,073 | — |
| Total | 228,959 | 320,735 | 21,750,179 | 22,299,873 | 10,279 | 22,289,594 | 2,217,809 | 326,931 | 19,571,966 | 15,830,381 |

Part II: Resource to Cash reconciliation

£'000

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast Operating Cost Statement

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

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

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

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

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

Analysis of Appropriations in Aid

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

Analysis of Appropriations in Aid (*continued*)

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

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

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

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

| | | | | | | |
|-------------------|---------------|----------------|----------------|----------------|---------------|----------------|
| Total AinA | 10,279 | 326,931 | 235,168 | 228,641 | 52,259 | 147,164 |
|-------------------|---------------|----------------|----------------|----------------|---------------|----------------|

Analysis of Consolidated Fund Extra Receipts

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

DEL and administrative cost limits

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

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

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

Expenditure resting on the sole authority of the Appropriation Act

£000

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

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

456

Adjustable advances

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

Cash which may be retained to offset expenditure

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

Actual and Contingent Liabilities

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

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

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

Grants in Aid

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

| Non-Departmental Public Body | £m |
|---|---------|
| Adult Learning Inspectorate (ALI)♥ | 21.3 |
| Sector Skills Development Agency ¹ | 2.5 |
| British Educational Communications and Technology Agency (BECTA)♦ | 4.8 |
| Higher Education Funding Council for England (HEFCE)♥ | 4,889.2 |
| Investors in People UK (IiP UK)♦ | 1.7 |
| Learning and Skills Council♥ | 7,309.7 |
| National College for School Leadership♦ | 56.3 |
| Qualifications and Curriculum Authority♥ | 69.9 |
| Student Loans Company♦ | 29.3 |
| Teacher Training Agency♥ | 421.8 |

¹ The audit arrangements and grant in aid for the Sector Skills Development Agency were not yet finalised at time of publication.

| Public Corporation | £m |
|---------------------------|-----|
| General Teaching Council♥ | 1.7 |

International Subscriptions

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

8. RfR1 Sections by function

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

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

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

Teachers' Pension Scheme

Introduction

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

Part I

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

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

RfR1: Teachers' pensions

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

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

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

Part II: Subhead detail

£'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: Teachers Pensions | — | — | 4,220,000 | 4,220,000 | 2,460,000 | 1,760,000 | — | — | 1,700,001 | 1,642,983 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| A Pension and associated payments | — | — | 4,220,000 | 4,220,000 | 2,460,000 | 1,760,000 | — | — | 1,700,001 | 1,642,983 |
| Total | — | — | 4,220,000 | 4,220,000 | 2,460,000 | 1,760,000 | — | — | 1,700,001 | 1,642,983 |

Part II: Resource to Cash reconciliation

£'000

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

Part III: Extra Receipts payable to the Consolidated Fund

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

£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 | — | — | 50,000 | 50,000 | 68,346 | 80,248 |
| Non-operating income not classified as AinA | — | — | — | — | — | — |
| Other amounts collectable on behalf of the Consolidated Fund | — | — | — | — | 735 | 738 |
| Excess cash receipts to be surrendered to the Consolidated Fund | — | — | — | — | — | — |
| Total | — | — | 50,000 | 50,000 | 69,081 | 80,986 |

Forecast Combined Revenue Account

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

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

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

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

Analysis of Consolidated Fund Extra Receipts

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

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

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

Cash which may be retained to offset expenditure

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

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

Contingent liabilities

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

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

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

Introduction

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

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

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

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

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

Part I

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

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

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

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

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

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

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

Part II: Subhead detail

£'000

| | Resources | | | | | | 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: Improving the quality and standards of education and childcare through independent inspection regulation and advice | 30,095 | 173,166 | — | 203,261 | 4,250 | 199,011 | 2,200 | — | 155,428 | 104,228 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★ A Administration and Inspection | 30,095 | 169,155 | — | 199,250 | 4,250 | 195,000 | 2,200 | — | 152,019 | 102,577 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE (AME) | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| B Administration and Inspection | — | 4,011 | — | 4,011 | — | 4,011 | — | — | 3,409 | 1,651 |
| Total | 30,095 | 173,166 | — | 203,261 | 4,250 | 199,011 | 2,200 | — | 155,428 | 104,228 |

Part II: Resource to cash reconciliation

£'000

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast operating cost statement

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

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

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

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

Analysis of Consolidated Fund Extra Receipts

| | £000s | | | | | |
|---------------------------------|----------------------|----------|------------------------------|----------|--------------------|----------|
| | 2002–03 provision | | 2001–02 estimated outturn | | 2000–01 outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Income from sales and services | — | — | 17 | — | — | — |
| VAT refs—programme | — | — | — | — | — | — |
| Registration and other fees | — | — | 148 | — | — | — |
| Rec—secondees salary costs | — | — | — | — | — | — |
| Rec—personnel tele costs | — | — | — | — | — | — |
| Property charges—minor occupier | — | — | — | 1 | — | — |
| Official cars—private use | — | — | 21 | — | — | — |
| Income from sales of assets | — | — | — | — | — | — |
| Miscellaneous—CFER | — | 1 | 18 | — | — | —1 |
| Total | — | 1 | 204 | 1 | — | 1 |

In addition to appropriations-in-aid the following income and receipts relate to the department and is payable to the consolidated fund

Statement of Accounting Policies

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

(i) Accounting Convention

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

(ii) Tangible Fixed Assets

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

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

(iii) Depreciation

Freehold land is not depreciated.

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

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

(iv) Donated Assets

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

(v) Operating Income

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

(vi) Administration and Programme Expenditure

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

(vii) Capital Charge

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

(viii) Pensions

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

(ix) Operating Leases

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

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

(x) Early Departure Costs

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

The amount provided is shown net of any such payments.

DEL and Administrative Cost Limits

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

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

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

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

Department of Health

Introduction

RfR1

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

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

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

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

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

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

RfR2

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

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

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

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

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

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

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

RfR1: Securing health care for those who need it

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

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

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

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

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

Part II: Subhead detail

| Resources | | | | | | | Capital | 2002–03 | 2001–02 Provision | £'000 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: Securing health care for those who need it | | | | | | | | | | |
| — | 54,260,758 | 949,460 | 55,210,218 | 8,989,518 | 46,220,700 | 2,618,234 | 1,400,000 | 42,762,478 | 37,425,054 | |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★A: Health Authorities unified budgets and central allocations | | | | | | | | | | |
| — | 46,536,834 | 356,212 | 46,893,046 | 152,000 | 46,741,046 | 256,303 | 300,000 | 42,775,389 | 37,900,066 | |
| B: FHS—general medical services | | | | | | | | | | |
| — | 1,710,483 | — | 1,710,483 | — | 1,710,483 | — | — | 2,237,000 | 2,494,366 | |
| C: FHS—pharmaceutical services | | | | | | | | | | |
| — | 911,391 | — | 911,391 | — | 911,391 | — | — | 885,351 | 863,938 | |
| D: FHS—prescription charges income | | | | | | | | | | |
| — | 2,500 | — | 2,500 | 436,280 | –433,780 | — | — | –412,475 | –389,423 | |
| E: FHS—general dental services | | | | | | | | | | |
| — | 1,644,700 | — | 1,644,700 | 461,900 | 1,182,800 | — | — | 1,177,000 | 1,108,712 | |
| F: FHS—general ophthalmic services | | | | | | | | | | |
| — | 306,850 | — | 306,850 | 50 | 306,800 | — | — | 302,970 | 291,967 | |
| <i>Support for Local Authorities</i> | | | | | | | | | | |
| ★G: Health Authority grants to local authorities | | | | | | | | | | |
| — | — | 448,788 | 448,788 | — | 448,788 | — | — | 448,788 | 337,174 | |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| H: Health authorities unified budgets and central allocations | | | | | | | | | | |
| — | 1,846,729 | — | 1,846,729 | — | 1,846,729 | — | — | 1,873,000 | 792,103 | |
| I: FHS—general medical services | | | | | | | | | | |
| — | –10,470 | — | –10,470 | — | –10,470 | — | — | –16,490 | –15,708 | |
| J: FHS—pharmaceutical services | | | | | | | | | | |
| — | –8,824 | — | –8,824 | — | –8,824 | — | — | –8,489 | –8,447 | |
| K: FHS—prescription charges income | | | | | | | | | | |
| — | 5,511 | — | 5,511 | — | 5,511 | — | — | 5,353 | 5,056 | |
| L: FHS—general dental services | | | | | | | | | | |
| — | –12,301 | — | –12,301 | — | –12,301 | — | — | –11,933 | –11,390 | |
| M: FHS—general ophthalmic services | | | | | | | | | | |
| — | –1,645 | — | –1,645 | — | –1,645 | — | — | –1,605 | –1,594 | |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | | |
| N: Grant in aid to Non Departmental Public Bodies NHS trust loans and other central capital grants | | | | | | | | | | |
| — | 1,329,000 | 144,460 | 1,473,460 | 1,375,000 | 98,460 | 2,361,931 | 1,100,000 | –26,519 | –182,400 | |
| O: NHS Contributions | | | | | | | | | | |
| — | — | — | — | 6,564,288 | –6,564,288 | — | — | –6,465,867 | –5,760,371 | |
| <i>Other</i> | | | | | | | | | | |
| — | — | — | — | — | — | — | — | 1,005 | 1,005 | |
| RfR2: Securing social care and child protection for those who need it and at national level, protecting, promoting and improving the nation's health | | | | | | | | | | |
| 347,451 | 294,068 | 2,445,016 | 3,086,535 | 182,524 | 2,904,011 | 11,331 | 394 | 2,058,500 | 1,531,548 | |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★A: Central department | | | | | | | | | | |
| 278,911 | 5,000 | — | 283,911 | 13,495 | 270,416 | 10,484 | 1 | 269,166 | 233,482 | |
| ★B: NHS Pensions Agency | | | | | | | | | | |
| 19,072 | — | — | 19,072 | 850 | 18,222 | 268 | — | 17,962 | 17,860 | |
| ★C: Medical Devices Agency | | | | | | | | | | |
| 7,898 | — | — | 7,898 | 350 | 7,548 | 150 | — | 7,164 | 6,822 | |
| ★D: NHS Purchasing and Supplies Authority | | | | | | | | | | |
| 19,029 | 145 | — | 19,174 | 145 | 19,029 | 100 | — | 18,291 | 18,241 | |
| ★E: Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services | | | | | | | | | | |
| — | 140,010 | 45,032 | 185,042 | 634 | 184,408 | — | — | 236,389 | 179,298 | |

Part II: Subhead detail (continued)

| | | | | | | | | | | £'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 | |
| F: Welfare food and European Economic Area medical costs | — | 121,500 | 237,000 | 358,500 | 30,000 | 328,500 | — | — | 311,572 | 278,035 |
| ★G: Other personal social services | — | 35,040 | 24,314 | 59,354 | — | 59,354 | — | — | 66,667 | 43,381 |
| ★H: NDPB revenue advances | — | — | 58,033 | 58,033 | 25,892 | 32,141 | — | — | 32,290 | 21,101 |
| <i>Youth Treatment Service</i> | — | — | — | — | — | — | — | — | — | 5,067 |
| <i>Payment in respect of the medical costs incurred by uninsured UK citizens arising from terrorist activity in the USA on 11/09/01</i> | — | — | — | — | — | — | — | — | 100 | — |
| <i>Support for Local Authorities</i> | | | | | | | | | | |
| ★I: Training support programme | — | — | 57,500 | 57,500 | — | 57,500 | — | — | 47,500 | 42,500 |
| ★J: AIDS support grant | — | — | 16,500 | 16,500 | — | 16,500 | — | — | 16,500 | 15,735 |
| ★K: Services for people with mental illness | — | — | 153,443 | 153,443 | — | 153,443 | — | — | 148,793 | 128,471 |
| ★L: Provision for secure accommodation | — | — | 14 | 14 | — | 14 | — | — | 16 | 13 |
| ★M: Promoting independence grant | — | — | 862,000 | 862,000 | — | —862,000 | — | — | 297,880 | — |
| ★N: Carers' grant | — | — | 85,000 | 85,000 | — | 85,000 | — | — | 70,000 | 50,000 |
| ★O: Children's services grants | — | — | 451,000 | 451,000 | — | 451,000 | — | — | 291,430 | 120,150 |
| ★P: Deferred payments grant | — | — | 30,000 | 30,000 | — | 30,000 | — | — | 15,000 | — |
| ★Q: Care Direct | — | — | 10,000 | 10,000 | — | 10,000 | — | — | 1,888 | 450 |
| ★R— Performance Fund | — | — | 50,000 | 50,000 | — | 50,000 | — | — | — | — |
| ★S: Young persons substance misuse planning grant | — | — | 4,500 | 4,500 | — | 4,500 | — | — | 4,500 | — |
| ★T: Teenage pregnancy local implementation grant | — | — | 16,000 | 16,000 | — | 16,000 | — | — | — | — |
| <i>Building Care Capacity</i> | — | — | — | — | — | — | — | — | 90,535 | — |
| <i>Grants funded from the Invest to Save budget</i> | — | — | — | — | — | — | — | — | 1,235 | 1,704 |
| <i>Services for alcohol and drug misusers</i> | — | — | — | — | — | — | — | — | 7,600 | 6,572 |
| <i>Services for people seeking asylum</i> | — | — | — | — | — | — | — | — | — | —839 |
| <i>Promoting independence: partnership grant</i> | — | — | — | — | — | — | — | — | — | 215,551 |
| <i>Promoting independence: prevention grant</i> | — | — | — | — | — | — | — | — | — | 29,973 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| U: Central department | 22,072 | 500 | — | 22,572 | — | 22,572 | — | — | 21,530 | 27,580 |

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 | |
| V: NHS Pensions Agency | 105 | 25 | 130 | — | 130 | — | — | 213 | 250 | |
| W: Medical Devices Agency | 289 | 3 | 292 | — | 292 | — | — | 292 | 361 | |
| X: NHS Purchasing and Supplies Authority | 75 | 2 | 77 | — | 77 | — | — | 77 | — | |
| Y: Other services including medical scientific and technical services grants to voluntary bodies research and development and information services | — | 342 | 342 | — | 342 | — | — | 10,447 | 632 | |
| Z: Welfare Food and European Economic Area medical costs | — | -8,556 | -8,556 | — | -8,556 | — | — | -8,706 | -8,676 | |
| <i>Youth Treatment Service</i> | — | — | — | — | — | — | — | — | 10 | |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | | |
| AA: NHS Estates Agency: dividend on public dividend capital and repayment of loans | — | — | — | 23 | -23 | — | 64 | -23 | -6 | |
| AB: Medicines Control Agency: dividend on public dividend capital and payment and repayment of loans | — | — | — | 177 | -177 | 329 | 329 | -157 | -136 | |
| AC: Grant in Aid funding of Non-Departmental Public Bodies and special health authorities▼ | — | 303,452 | 303,452 | 110,948 | 192,504 | — | — | 75,006 | 95,818 | |
| AD: Provision for secure accommodation (capital) | — | 6,228 | 6,228 | — | 6,228 | — | — | 4,226 | 1,552 | |
| AE: Improving information management (capital) | — | 25,000 | 25,000 | — | 25,000 | — | — | 3,000 | — | |
| AF: Children's services grants (capital) | — | 10,000 | 10,000 | — | 10,000 | — | — | — | — | |
| AG: Other | — | 27 | 27 | — | 27 | — | — | 27 | 15 | |
| AH: Central department profit and loss on disposal of assets | — | — | — | 10 | -10 | — | — | -30 | — | |
| AI: Medical Devices Agency profit and loss on disposal of assets | — | 30 | 30 | — | 30 | — | — | 30 | — | |
| NHS Purchasing and Supplies Authority profit and loss on disposal | — | — | — | — | — | — | — | -5 | — | |
| Grants funded from the Invest to Save budget (capital) | — | — | — | — | — | — | — | 95 | 581 | |
| Total | 347,451 | 54,554,826 | 3,394,476 | 58,296,753 | 9,172,042 | 49,124,711 | 2,629,565 | 1,400,394 | 44,820,978 | 38,956,602 |

Part II: Resource to Cash reconciliation

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast Operating Cost Statement

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

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

| | 2002–03 | | 2001–02 | | 2000–01 | | £000 |
|--|-----------|---------------|-----------|---------------|-----------|---------------|---------|
| | provision | | provision | | outturn | | |
| | Operating | Non-operating | Operating | Non-operating | Operating | Non-operating | |
| | AinA | AinA | AinA | AinA | AinA | AinA | AinA |
| RfR1: Securing health care for those who need it | | | | | | | |
| Charges for accommodation, goods and services to private and NHS patients and others; income generation schemes; medical and dental education levy; income from the licensing of software; income from Ashworth Special Hospital, the Mental Health Act Commission, the Centre for Pharmacy Post Graduate Education, the Prescription Pricing Authority, the Dental Practice Board, and Regional Offices; income from the Scottish Executive, the National Assembly for Wales and Northern Ireland for services provided for devolved or reserved work. Rebates and discounts from manufacturers under the Pharmaceutical Price Regulation Scheme and Purchasing and Supply Agency arrangements. | 152,000 | — | 152,000 | — | 80,966 | — | — |
| NHS prescription charges | 436,280 | — | 414,875 | — | 391,584 | — | — |
| Dental charges | 461,900 | — | 476,000 | — | 457,576 | — | — |
| Recoveries from patients in respect of incorrect claims for eligibility for general ophthalmic services | 50 | — | 30 | — | 32 | — | — |
| Contributions by employers and employees towards the cost of the NHS | 6,564,288 | — | 6,465,867 | — | 5,760,371 | — | — |
| Principal and interest payments on NHS Trusts loans and repayments of, and dividends on public dividend capital advances by or on behalf of NHS trusts | 1,375,000 | 1,100,000 | 1,241,764 | 1,662,884 | 1,286,464 | 1,050,000 | — |
| Capital income from sale of land, buildings, surplus vehicles and equipment | — | 300,000 | — | 350,000 | — | — | 298,000 |

Analysis of Appropriations in Aid (*continued*)

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

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

Analysis of Appropriations in Aid (continued)

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

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

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

Analysis of Consolidated Fund Extra Receipts (CFERs)

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

Departmental Expenditure Limit and Administration Costs Limit

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

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

- 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 with final provision and forecast outturn

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

Expenditure resting on the sole authority of the Appropriation Act

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

Expenditure in the form of adjustable advances

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

Cash which may be retained to offset expenditure

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

Contingent Liabilities

RfR1:

Statutory contingent liabilities exist to meet:

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

Non-statutory contingent liabilities exist to meet:

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

RfR2:

Statutory contingent liabilities exist to meet:

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

Non-statutory contingent liabilities exist to meet:

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

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

Grants in aid

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

International subscriptions

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

National Health Service Pension Scheme

Introduction

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

Part I

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

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

RfR1: National Health Service Pension Scheme

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

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

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

Part II: Subhead detail

£'000

| | Resources | | | | | | 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 |
| RfRI: National Health Service Pension Scheme | — | — | 3,202,200 | 3,202,200 | 3,152,000 | 50,200 | — | — | 172,752 | 735,904 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| A Pensions | — | — | 3,202,200 | 3,202,200 | 3,152,000 | 50,200 | — | — | 172,752 | 735,904 |
| Total | — | — | 3,202,200 | 3,202,200 | 3,152,000 | 50,200 | — | — | 172,752 | 735,904 |

Part II: Resource to Cash reconciliation

£'000

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast Combined Revenue Account

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

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

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

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

Analysis of Extra Receipts payable to the Consolidated Fund

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

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

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

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

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

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

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

Cash which may be retained to offset expenditure

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

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

Food Standards Agency

Introduction

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

Part I

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

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

RfR1: Protecting and promoting public health in relation to food

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

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

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

Part II: Subhead detail

£'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: Protecting and promoting public health in relation to food | | | | | | | | | |
| 107,650 | 67,969 | — | 175,619 | 55,270 | 120,349 | 637 | — | 125,465 | 82,259 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| ★A | Food Standards Agency HQ Operations | | | | | | | | |
| 33,124 | 67,969 | — | 101,093 | 3,234 | 97,859 | 322 | — | 102,733 | 78,088 |
| ★B | Meat Hygiene Service | | | | | | | | |
| 71,215 | — | — | 71,215 | 52,036 | 19,179 | 315 | — | 19,421 | 3,106 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | |
| C | Food Standards Agency HQ Operations | | | | | | | | |
| 1,861 | — | — | 1,861 | — | 1,861 | — | — | 1,861 | 422 |
| D | Meat Hygiene Service | | | | | | | | |
| 1,450 | — | — | 1,450 | — | 1,450 | — | — | 1,450 | 643 |
| Total | 107,650 | 67,969 | 175,619 | 55,270 | 120,349 | 637 | — | 125,465 | 82,259 |

Part II: Resource to Cash reconciliation

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

Part III: Extra Receipts payable to the Consolidated Fund

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

Forecast Operating Cost Statement

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

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer's responsibilities

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

Analysis of Appropriations in Aid

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

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

Departmental Expenditure Limit and Administration Costs Limit

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

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

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

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

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

Department for Transport, Local Government and the Regions

Introduction

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Non-departmental public bodies (NDPBs)

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

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

Part I

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II: Subhead detail

£000

| Resources | | | | | | | Capital | 2002–03 | 2001–02 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: Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action, and improving health and safety | | | | | | | | | | |
| 78,421 | 1,272,873 | 7,771,009 | 9,122,309 | 14,677 | 9,107,626 | 4,104 | 36 | 8,082,692 | 6,089,857 | |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | | | |
| ★A Housing | | | | | | | | | | |
| 2,562 | 41,400 | 42,730 | 86,692 | 207 | 86,485 | — | 21 | 94,846 | 66,695 | |
| ★B The Rent Service (executive agency) | | | | | | | | | | |
| 36,078 | 237 | — | 36,315 | — | 36,315 | 1,250 | — | 37,015 | 34,812 | |
| ★C Building Regulations | | | | | | | | | | |
| — | 5,257 | — | 5,257 | — | 5,257 | — | — | 6,071 | 5,344 | |
| ★D Payments to DTI for Regional Development Agencies and London Development Agency | | | | | | | | | | |
| — | — | 449,052 | 449,052 | — | 449,052 | — | — | 378,575 | 281,819 | |
| ★E Regeneration and Regional Policy | | | | | | | | | | |
| — | 960 | 49,760 | 50,720 | — | —50,720 | — | — | 60,849 | 23,206 | |
| ★F Neighbourhood Renewal | | | | | | | | | | |
| — | 59,000 | 88,550 | 147,550 | — | 147,550 | — | — | 58,403 | 2,426 | |
| ★G Payments to Ordnance Survey | | | | | | | | | | |
| — | 17,700 | — | 17,700 | — | 17,700 | –1,121 | — | 17,289 | 17,398 | |
| ★H Planning | | | | | | | | | | |
| — | 10,461 | — | 10,461 | 80 | 10,381 | — | — | 8,724 | 5,509 | |
| ★I The Planning Inspectorate (executive agency) | | | | | | | | | | |
| 32,442 | 1 | — | 32,443 | 6,485 | 25,958 | 3,867 | — | 31,214 | 30,440 | |
| ★J European Structural Funds—Net | | | | | | | | | | |
| — | 185,880 | –185,879 | 1 | 6,000 | –5,999 | — | — | –6,000 | –60,744 | |
| ★K European Regional Development Fund Projects not funded by EU receipts | | | | | | | | | | |
| — | — | 1 | 1 | — | 1 | — | — | 364 | 683 | |
| ★L Fire Services | | | | | | | | | | |
| 5 | 7,392 | 200 | 7,597 | 100 | 7,497 | 107 | — | 7,912 | 1,789 | |
| ★M Fire Service College | | | | | | | | | | |
| — | 1 | — | 1 | — | 1 | — | — | 385 | 550 | |
| ★N Pneumoconiosis Compensation | | | | | | | | | | |
| — | — | 13,683 | 13,683 | — | 13,683 | — | — | 14,183 | 11,827 | |
| <i>Support for Local Authorities</i> | | | | | | | | | | |
| O Housing Specified Grants | | | | | | | | | | |
| — | — | 230 | 230 | — | 230 | — | — | 81 | 55 | |
| ★P Other Housing | | | | | | | | | | |
| — | — | 71,612 | 71,612 | — | 71,612 | — | — | 64,261 | 11,023 | |
| ★Q Regeneration | | | | | | | | | | |
| — | — | 106,880 | 106,880 | — | 106,880 | — | — | 144,128 | 115,142 | |
| ★R Neighbourhood Renewal | | | | | | | | | | |
| — | — | 96,445 | 96,445 | — | 96,445 | — | — | 25,980 | 23,515 | |
| ★S European Structural Funds—Net | | | | | | | | | | |
| — | — | 1 | 1 | — | 1 | — | — | — | — | |
| T European Regional Development Fund Projects not funded by EU receipts | | | | | | | | | | |
| — | — | 2 | 2 | — | 2 | — | — | 2 | 204 | |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | | | |
| U Housing Revenue Account Subsidy—Housing Element | | | | | | | | | | |
| — | 943,000 | — | 943,000 | — | 943,000 | — | — | 991,000 | 444,531 | |
| V Fire Superannuation | | | | | | | | | | |
| — | — | 555 | 555 | 305 | 250 | — | — | 250 | 250 | |

Part II: Subhead detail (Continued)

£000

| | | Resources | | | | Capital | | 2002–03 | 2001–02 | 2000–01 | |
|---|---|----------------|------------------|------------------|------------------|----------------|------------------|----------------|--------------------|--------------------|---------------------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | | Admin | Other current | Grants | Gross Total | AinA | Net Total | Capital | Non-operating AinA | Net Total Resource | Net Total Resources |
| <i>Support for Local Authorities</i> | | | | | | | | | | | |
| W | Housing Revenue Account Subsidy—Rent Rebate element | — | — | 3,379,000 | 3,379,000 | — | 3,379,000 | — | — | 3,380,000 | 2,468,424 |
| <i>Non-Cash items</i> | | | | | | | | | | | |
| X | Other Housing | — | 212 | — | 212 | — | 212 | — | — | 179 | 189 |
| Y | The Rent Service (executive agency) | 4,202 | — | — | 4,202 | — | 4,202 | — | — | 1,767 | 1,724 |
| Z | Payments to Ordnance Survey | — | 1,373 | — | 1,373 | — | 1,373 | — | — | 1,433 | — |
| AA | The Planning Inspectorate (executive agency) | 3,130 | — | — | 3,130 | — | 3,130 | — | — | 2,744 | 2,419 |
| AB | Fire Services | 2 | — | — | 2 | — | 2 | — | — | 2 | 2 |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | | | |
| AC | Housing Corporation | — | — | 1,658,936 | 1,658,936 | — | 1,658,936 | — | — | 1,498,378 | 1,418,565 |
| AD | Other Housing | — | — | 964,167 | 964,167 | — | 964,167 | — | — | 267,320 | 495,596 |
| AE | Payments to DTI for Regional Development Agencies and London Development Agency | — | — | 591,950 | 591,950 | — | 591,950 | — | — | 568,105 | 300,142 |
| AF | Other Regeneration | — | — | 272,132 | 272,132 | 1,500 | 270,632 | — | — | 311,179 | 309,899 |
| AG | Neighbourhood Renewal | — | — | 165,000 | 165,000 | — | 165,000 | — | — | 110,000 | 9,559 |
| AH | European Structural Funds—Net | — | — | 6,001 | 6,001 | — | 6,001 | — | — | 6,000 | 60,744 |
| A1 | European Regional Development Fund Projects not funded by EU receipts | — | — | 1 | 1 | — | 1 | — | — | 1 | 6,119 |
| AJ | Fire Services | — | –1 | — | –1 | — | –1 | — | — | 37 | –1 |
| AK | Fire Service College | — | — | — | — | — | — | 1 | 15 | — | — |
| <i>BRE Privatisation</i> | | | | | | | | | | | |
| <i>Payments to Ordnance Survey</i> | | | | | | | | | | | |
| <i>—</i> | | | | | | | | | | | |
| <i>15</i> | | | | | | | | | | | |
| <i>—</i> | | | | | | | | | | | |
| RfR2: Promoting modern, integrated and safe transport and providing customer-focussed regulation | | | | | | | | | | | |
| | | 403,518 | 5,160,316 | 4,073,883 | 9,637,717 | 376,963 | 9,260,754 | 729,195 | 13,827 | 9,191,582 | 6,562,579 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | | | | |
| ★A | Ports and shipping services | — | 1,813 | 895 | 2,708 | 1,402 | 1,306 | 1,680 | — | 5,115 | 13,586 |
| ★B | Maritime and Coastguard Agency | 44,348 | 61,994 | 80 | 106,422 | 5,742 | 100,680 | 6,250 | — | 95,662 | 88,240 |
| ★C | Aviation services | — | 6,265 | 32,389 | 38,654 | 35,200 | 3,454 | 207 | — | 70,953 | 27,219 |
| ★D | Transport security and royal travel | — | 2,205 | 9,932 | 12,137 | — | 12,137 | — | — | 8,702 | 6,962 |
| ★E | Highways Agency | 74,718 | 587,943 | 5,500 | 668,161 | 25,615 | 642,546 | 707,521 | 12,286 | 643,430 | 631,656 |
| ★F | Publicity and advice | — | 18,407 | 21 | 18,428 | — | 18,428 | — | — | 17,431 | 17,303 |
| ★G | Research | — | 34,570 | — | 34,570 | — | 34,570 | 7,505 | — | 29,439 | 20,688 |

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 |
| ★H | Statistics, censuses and surveys | — | 7,877 | — | 7,877 | — | 7,877 | 619 | — | 6,547 | 5,571 |
| ★I | Consultancies and other services for roads and local transport | — | 9,176 | 1,161 | 10,337 | 126 | 10,211 | 60 | — | 21,923 | 14,492 |
| ★J | Railways | — | 5,934 | 435 | 6,369 | — | 6,369 | — | — | 18,174 | 4,068 |
| ★K | Commission for Integrated Transport | — | 1,500 | — | 1,500 | — | 1,500 | — | — | 2,300 | 472 |
| L | Other Railways | — | 67 | 55,420 | 55,487 | — | 55,487 | — | — | 57,500 | 48,213 |
| ★M | Water freight grants | — | — | 3,306 | 3,306 | — | 3,306 | — | — | 1 | 11,598 |
| N | Bus fuel duty rebates | — | 329,500 | — | 329,500 | — | 329,500 | — | — | 316,000 | 300,464 |
| ★O | Driver and Vehicle Licensing Agency | 251,831 | 6,091 | — | 257,922 | 141,406 | 115,516 | 5,121 | — | 125,672 | 90,826 |
| ★P | Vehicle and traffic enforcement | — | 20,867 | — | 20,867 | 16,550 | 4,317 | — | — | 7,217 | –425 |
| ★Q | Vehicle Certification Agency | 4,906 | 2 | — | 4,908 | 5,195 | –287 | 232 | — | –236 | –191 |
| ★R | PowerShift and CleanUp | — | 22,919 | — | 22,919 | — | 22,919 | — | — | 20,270 | 14,020 |
| ★S | Dartford River Crossing | — | — | — | — | 48,600 | –48,600 | — | — | 1 | — |
| | <i>Priority Routes in London</i> | — | — | — | — | — | — | — | — | — | 1,625 |
| | <i>Government Office Programme Expenditure</i> | — | — | — | — | — | — | — | — | — | 1,520 |
| | <i>Docklands Light Railway</i> | — | — | — | — | — | — | — | — | — | 5,300 |
| | <i>DLR Royal Mint Street claim</i> | — | — | — | — | — | — | — | — | — | 15,079 |
| | <i>British Rail Grant</i> | — | — | — | — | — | — | — | — | — | 64,093 |
| | <i>Office of Passenger Rail Franchising</i> | — | — | — | — | — | — | — | — | — | 710,707 |
| | <i>Driving Standards Agency trading fund</i> | — | — | — | — | — | — | — | — | 70 | 100 |
| | <i>Vehicle Inspectorate (trading fund)</i> | — | — | — | — | — | — | — | — | 100 | 132 |
| ★T | Railtrack plc (in administration) | — | 24,000 | — | 24,000 | 39,000 | –15,000 | — | — | 15,000 | — |
| | <i>Support for Local Authorities</i> | | | | | | | | | | |
| ★U | GLA transport grant | — | — | 296,080 | 296,080 | — | 296,080 | — | — | 211,188 | 267,459 |
| ★V | Other transport grants (discretionary resource expenditure) | — | — | 112,919 | 112,919 | — | 112,919 | — | — | 67,348 | 38,617 |
| W | Other transport grants (non—discretionary resource expenditure) | — | — | 10,000 | 10,000 | — | 10,000 | — | — | 21,000 | 210,133 |
| ★X | Speed and red-light camera enforcement | — | — | 58,125 | 58,125 | 58,124 | 1 | — | — | 1 | 3,107 |
| | <i>Pre-DVLC pensions</i> | — | — | — | — | — | — | — | — | — | 1,318 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | | |
| | <i>Central Government Spending</i> | | | | | | | | | | |
| | <i>Aviation Services</i> | — | — | — | — | — | — | — | — | 7,008 | — |

Part II: Subhead detail (Continued)

£000

| Resources | | | | | | Capital | 2002–03 | 2001–02 | 2000–01 |
|--|--|--------|-------------|------|-----------|---------|--------------------|--------------------|---------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Admin | Other current | Grants | Gross Total | AinA | Net Total | Capital | Non-operating AinA | Net Total Resource | Net Total Resources |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | |
| Y | Ports and shipping Services | — | 1,009 | — | 1,009 | — | — | 1,095 | 960 |
| Z | Maritime and Coastguard Agency | 1,854 | 4,633 | — | 6,487 | — | — | 4,904 | 5,700 |
| AA | Aviation services | — | 737 | — | 737 | — | — | 3,207 | 661 |
| AB | Highways Agency | 7,285 | 3,576,411 | — | 3,583,696 | — | — | 3,574,500 | 2,771,279 |
| AC | Statistics, censuses and surveys | — | 175 | — | 175 | — | — | 169 | 88 |
| AD | Consultancies and other services for roads and local transport | — | 48 | — | 48 | — | — | 48 | 63 |
| AE | Driver and Vehicle Licensing Agency | 18,293 | — | — | 18,293 | — | — | 15,261 | 8,959 |
| AF | Vehicle Certification Agency | 283 | — | — | 283 | — | — | 195 | 240 |
| | <i>Office of Passenger Rail Franchising</i> | — | — | — | — | — | — | — | 535 |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | |
| AG | Highways Agency | — | 435,173 | — | 435,173 | — | — | 422,786 | 455,760 |
| AH | Vehicle Inspectorate (trading fund) | — | 3 | 2 | 1 | — | 1,395 | 1 | 3,003 |
| AI | Driving Standards Agency (trading fund) | — | 2 | 1 | 1 | — | 146 | 1 | — |
| AJ | Strategic Rail Authority | — | 2,040,954 | — | 2,040,954 | — | — | 1,796,749 | 289,575 |
| AK | Trans European network payments for other local transport projects (net) | — | 1 | — | 1 | — | — | 1 | — |
| AL | Trans European network payments for rail and other transport industries projects (net) | — | 2 | — | 2 | — | — | 2 | — |
| AM | Water Freight Grant | — | 2,000 | — | 2,000 | — | — | 21,769 | 16,474 |
| AN | Other Railways | — | 503,290 | — | 503,290 | — | — | 216,000 | 23,404 |
| AO | Goods Vehicle VED Relief | — | 1,000 | — | 1,000 | — | — | 229,000 | 291,577 |
| AP | Capital transport grants to local authorities | — | 178,268 | — | 178,268 | — | — | 109,176 | 53,463 |
| AQ | Publicity and advice | — | 600 | — | 600 | — | — | — | — |
| AR | GLA Transport Grant | — | 762,500 | — | 762,500 | — | — | 508,700 | 34,352 |
| | <i>Payments from Office for Passenger Rail Franchising</i> | — | — | — | — | — | — | — | – 321,555 |
| | <i>London Regional Transport</i> | — | — | — | — | — | — | — | 315,395 |
| | <i>Consultancies and other services for roads and local transport</i> | — | — | — | — | — | — | — | – 2 |
| | <i>Driver and Vehicle Licensing Agency</i> | — | — | — | — | — | — | — | – 4 |
| | <i>Docklands Light Railway</i> | — | — | — | — | — | — | — | 2,700 |
| | <i>Trans European network payments (net)</i> | — | — | — | — | — | — | 1 | — |
| | <i>Trans European network payments for local authority transport projects (net)</i> | — | — | — | — | — | — | 1 | — |
| | <i>London Underground</i> | — | — | — | — | — | — | 520,000 | — |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| X | Civil Aviation Services | — | — | — | — | — | — | 7,008 | — |

Part II: Subhead detail (Continued)

£000

| Resources | | | | | | Capital | 2002–03 | 2001–02 | 2000–01 |
|--|---------------|------------|-------------|--------|------------|---------|--------------------|--------------------|---------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Admin | Other current | Grants | Gross Total | AinA | Net Total | Capital | Non-operating AinA | Net Total Resource | Net Total Resources |
| RfR3: Promoting a system of elected government responding to the needs of local communities | | | | | | | | | |
| — | 172,390 | 37,631,197 | 37,803,587 | 2,889 | 37,800,698 | 540 | 40 | 37,501,896 | 35,242,001 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | | |
| ★A Valuation services | | | | | | | | | |
| — | 138,049 | — | 138,049 | 245 | 137,804 | 540 | 40 | 140,423 | 136,655 |
| ★B Best value inspection subsidies to Public Corporations and best value intervention costs | | | | | | | | | |
| — | 22,720 | — | 22,720 | — | 22,720 | — | — | 27,220 | 16,774 |
| ★C Local Government Research and Publicity, Local Government commission mapping costs and Electoral law | | | | | | | | | |
| — | 4,629 | — | 4,629 | 360 | 4,269 | — | — | 6,148 | 4,524 |
| ★D Local Governance | | | | | | | | | |
| — | 6,992 | — | 6,992 | — | 6,992 | — | — | 13,874 | 8,048 |
| <i>Secretary of State acting under transitional provisions under Greater London Authority Act 1999 (net)</i> | | | | | | | | | |
| — | — | — | — | — | — | — | — | — | —/ |
| <i>Support for Local Authorities</i> | | | | | | | | | |
| ★E Revenue support grants | | | | | | | | | |
| — | — | 20,141,129 | 20,141,129 | 2,284 | 20,138,845 | — | — | 21,251,897 | 19,583,777 |
| F Non-domestic rates payments | | | | | | | | | |
| — | — | 16,626,000 | 16,626,000 | — | 16,626,000 | — | — | 15,137,000 | 15,400,000 |
| ★G London governance | | | | | | | | | |
| — | — | 27,950 | 27,950 | — | 27,950 | — | — | 23,400 | 22,300 |
| ★H Other grants and payments | | | | | | | | | |
| — | — | 312,859 | 312,859 | — | 312,859 | — | — | 249,767 | 8,452 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | |
| <i>Valuation services</i> | | | | | | | | | |
| — | — | — | — | — | — | — | — | 158 | 151 |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | |
| I Non-domestic rates outturn adjustments | | | | | | | | | |
| — | — | 250,000 | 250,000 | — | 250,000 | — | — | 600,000 | 61,308 |
| J Other grants and public bodies | | | | | | | | | |
| — | — | 265,359 | 265,359 | — | 265,359 | — | — | 45,654 | 1,011 |
| K Non-departmental public bodies | | | | | | | | | |
| — | — | 7,900 | 7,900 | — | 7,900 | — | — | 6,355 | — |
| RfR4: Providing for the administration of the DTLR and the Health and Safety Commission in meeting their objectives | | | | | | | | | |
| 534,334 | 65,635 | 2 | 599,971 | 98,732 | 501,239 | 51,695 | 435 | 529,903 | 464,944 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | | |
| ★A Central Administration | | | | | | | | | |
| 258,978 | 6,056 | — | 265,034 | 16,435 | 248,599 | 40,695 | — | 282,917 | 236,122 |
| ★B Health and Safety Executive | | | | | | | | | |
| 199,106 | 53,880 | — | 252,986 | 58,343 | 194,643 | 6,402 | 37 | 191,252 | 181,545 |
| ★C Health and Safety Laboratory | | | | | | | | | |
| 16,134 | 5,585 | — | 21,719 | 23,954 | –2,235 | 4,598 | 398 | –2,235 | –7,919 |
| ★D PSA Services | | | | | | | | | |
| 7,000 | — | — | 7,000 | — | 7,000 | — | — | 9,000 | 9,320 |
| ★E Queen Elizabeth II Conference Centre (executive agency) | | | | | | | | | |
| 1,220 | — | — | 1,220 | — | 1,220 | — | — | 1,320 | 1,248 |
| <i>Queen Elizabeth II Conference Centre (executive agency) (trading fund) short term loans</i> | | | | | | | | | |
| — | — | — | — | — | — | — | — | — | 19 |
| <i>Government Office administration</i> | | | | | | | | | |
| — | — | — | — | — | — | — | — | — | 739 |

Part II: Subhead detail (*Continued*)

£000

| Resources | | | | | | Capital | 2002–03 | 2001–02 | 2000–01 | |
|--|---|------------------|-------------------|-------------------|----------------|-------------------|--------------------|--------------------|---------------------|-------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 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> | | | | | | | | | | |
| F | Central Administration | | | | | | | | | |
| | 37,704 | 94 | 37,798 | — | 37,798 | — | — | 33,725 | 30,464 | |
| G | Health and Safety Executive | | | | | | | | | |
| | 10,152 | 20 | 10,172 | — | 10,172 | — | — | 10,510 | 11,124 | |
| H | Health and Safety Laboratory | | | | | | | | | |
| | 4,040 | — | 4,040 | — | 4,040 | — | — | 3,412 | 2,609 | |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | | |
| I | Queen Elizabeth II Conference Centre Executive Agency Trading Fund short term loans | | | | | | | | | |
| | — | — | 2 | — | 2 | — | — | 2 | — | |
| | <i>Privatisation of PSA</i> | | | | | | | | –464 | |
| | — | — | — | — | — | — | — | — | — | |
| | <i>Health and Safety Executive</i> | | | | | | | | 42 | |
| | — | — | — | — | — | — | — | — | — | |
| | <i>Health and Safety Laboratory</i> | | | | | | | | 95 | |
| | — | — | — | — | — | — | — | — | — | |
| Total | 1,016,273 | 6,671,214 | 49,476,091 | 57,163,578 | 493,261 | 56,670,317 | 785,534 | 14,338 | 55,306,073 | 48,359,381 |

Part II: Resource to Cash reconciliation

£000

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast Operating Cost Statement

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

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

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

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

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

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

Table I

Analysis of Appropriations in Aid

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

Analysis of Appropriations in Aid (*continued*)

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

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

| | | | | | | | |
|---|---------|--------|---------|--------|---------|--------|--|
| Ports and Shipping—section A (Receipts in respect of the IMO building, Mersey Conservancy, shipping services and the hire of Civil Defence equipment) | 1,402 | — | 1,402 | — | 1,493 | — | |
| Maritime and Coastguard Agency—section B (Fees and receipts from survey of ships, port state control inspections, examinations and the certification of seafarers) | 5,742 | — | 5,742 | — | 7,406 | — | |
| Aviation services—section C (Receipts from Eurocontrol) | 35,200 | — | 30,441 | — | 28,371 | — | |
| Highways Agency—section E Of Which | 25,615 | 12,286 | 9,549 | 53,649 | 11,052 | 63,411 | |
| Highways Agency administration | — | — | 1,200 | — | 1,116 | — | |
| Highways Agency programme | — | — | 8,349 | — | 9,936 | — | |
| Book value on sale of existing buildings | — | — | — | 18,980 | — | 28,290 | |
| Book value of sale of other tangible capital | — | — | — | 34,669 | — | 35,121 | |
| Statistics, censuses and surveys—section H (Sale of statistical services) | — | — | — | — | 27 | — | |
| Consultancies and other services for roads and local transport—section I (Booking fees for driving assessments and disposal of MAVIS vehicles, and recoveries from local authorities in respect of public inquiries into highway orders) | 126 | — | 126 | — | 23 | — | |
| Other railways—section L (privatisation of ROSCOS) | — | — | — | — | 11,287 | — | |
| Driver and Vehicle Licensing Agency—section O | 141,406 | — | 149,402 | — | 146,868 | — | |
| Of which | | | | | | | |
| Drivers | 51,170 | — | 53,000 | — | 47,438 | — | |
| Vehicles | 60,750 | — | 63,572 | — | 59,104 | — | |

Analysis of Appropriations in Aid (*continued*)

| | 2002–03 | | 2001–02 | | 2000–01 | | £000 |
|---|-------------------|-----------------------|-------------------|-----------------------|-------------------|-----------------------|------|
| | Operating AinA | Non-operating AinA | Operating AinA | Non-operating AinA | Operating AinA | Non-operating AinA | |
| <i>Sale of Marks</i> | 5,600 | — | 6,850 | — | 6,600 | — | — |
| <i>CT and assignment and related costs</i> | 7,900 | — | 10,000 | — | 12,544 | — | — |
| <i>Wheelclamping and out of court settlements</i> | 12,000 | — | 12,000 | — | 16,643 | — | — |
| <i>Award of court costs</i> | 3,000 | — | 3,000 | — | 3,951 | — | — |
| <i>Accommodation</i> | — | — | 170 | — | 159 | — | — |
| <i>Other</i> | 986 | — | 810 | — | 425 | — | — |
| <i>Sale of assets</i> | — | — | 810 | — | 4 | — | — |
| Vehicle and traffic enforcement— section P | | | | | | | |
| <i>(Operator Licence enforcement receipts)</i> | 16,550 | — | 16,480 | — | 21,433 | — | — |
| Vehicle Certification Agency—section Q | | | | | | | |
| <i>(Receipts from the private sector for vehicles and component testing and from the Department for enforcement and related work)</i> | 5,195 | — | 5,195 | — | 5,874 | — | — |
| Receipts from Dartford River Crossing Ltd—section S | 48,600 | — | — | — | — | — | — |
| Office of Passenger Rail Franchising | — | — | — | — | 96,390 | — | — |
| Government Office Programme Expenditure | — | — | — | — | 2,701 | — | — |
| Speed and red light camera enforcement—section X | 58,124 | — | 9,994 | — | 6,183 | — | — |
| Vehicle Inspectorate—section AH | 2 | 1,395 | 2 | 61 | — | 62 | — |
| <i>(Repayment of deemed and voted loans)</i> | | | | | | | |
| Driving Standards Agency—section AI | 1 | 146 | 1 | 146 | — | 146 | — |
| <i>(Repayment of deemed and voted loans)</i> | | | | | | | |
| Railtrack plc (in Administration)— section T | 39,000 | — | — | 1,600,000 | — | — | — |
| <i>Payment from Office of Passenger Rail Franchising</i> | — | — | — | — | 321,555 | — | — |
| Consultancies for roads and local transport | — | — | — | — | 2 | — | — |
| Total RfR2 | 376,963* | 13,827** | 232,056 | 1,707,505 | 350,156 | 127,030 | |

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

| | | | | | | | |
|--|---------------|-------------|------------|-----------|------------|-----------|---|
| Valuation services—section A | 245 | 40 | 245 | 40 | 329 | 31 | — |
| Local Government Commission mapping costs and Electoral law— section C | 360 | — | — | — | 15 | — | — |
| Revenue support grants—section E <i>(fine income from the Lord Chancellor's Dept)</i> | 2,284 | — | — | — | — | — | — |
| Total RfR3 | 2,889* | 40** | 245 | 40 | 314 | 31 | |

Analysis of Appropriations in Aid (*continued*)

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

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

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

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

Analysis of Appropriations in Aid (*continued*)

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

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

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

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

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

Expenditure resting on the sole authority of the Appropriation Act

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

Changes to accounting policies

Treatment of Sale of Mark income

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

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

DEL and administrative cost limits

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

| 2002–03 Departmental Expenditure Limits | £000 | | |
|---|-------------------|------------------|-------------------|
| | Voted | Non-Voted | Total |
| Resource DEL | 40,684,774 | 1,811,854 | 42,460,628 |
| Capital DEL | 4,242,868 | 4,489,041 | 8,731,909 |
| Total DEL | 44,891,642 | 6,300,895 | 51,192,537 |

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

Comparison of provision sought with final provision & forecast outturn

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

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

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

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

Gifts

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

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

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

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

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

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

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

Gifts presented by Ministers on official delegations; and

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

Cash which may be retained to offset expenditure

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

Contingent liabilities

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

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

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

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

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

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

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

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

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

Other Liabilities to note (DVLA related)

Provision for Liabilities and Charges

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

Capital Commitments

| | |
|-------------------------------------|-----------|
| Contracted Capital Commitments 2002 | under 0.5 |
|-------------------------------------|-----------|

Operating Leases

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

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

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

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

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

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

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

Office of the Rail Regulator

Introduction

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

Part I

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

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

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

administration, capital expenditure and associated non-cash items

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

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

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

Part II: Subhead detail

| Resources | | Capital | | 2002–03 | 2001–02 | 2000–01 | £000 | | |
|---|---------------|----------|---------------|---------------|-----------|------------|--------------------|--------------------|---------------------|
| 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 |
| RfR01: To create a better railway for passengers and freight customers and better value for public funding authorities through effective regulation in the public interest | | | | | | | | | |
| 13,129 | — | — | 13,129 | 13,128 | 1 | 190 | — | 199 | 1,398 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| ★A Administration associated capital and other expenditure | | | | | | | | | |
| 12,444 | — | — | 12,444 | 13,128 | –684 | 190 | — | –254 | –141 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | |
| B Administration associated capital and other expenditure | | | | | | | | | |
| 685 | — | — | 685 | — | 685 | — | — | 453 | 953 |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | |
| <i>Administration associated capital and other expenditure</i> | | | | | | | | | |
| — | — | — | — | — | — | — | — | 199 | 586 |
| Total | 13,129 | — | 13,129 | 13,128 | 1 | 190 | — | 199 | 1,398 |

Part II: Resource to Cash reconciliation

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast Operating Cost Statement

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

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriation in Aid

£000s

| | 2002–03 Provision | | 2001–02 Provision | | 2000–01 Outturn | |
|--|----------------------|-----------------------------|----------------------|-----------------------------|---------------------|-----------------------------|
| | Operating A-in-A | Non- operating A-in-A | Operating A-in-A | Non- operating A-in-A | Operating A-in-A | Non- operating A-in-A |
| RfR1: To create a better railway for passengers and freight customers, and better value for public funding authorities, through effective regulation in the public interest | | | | | | |
| Licence fees | 13,128 | — | 13,200 | — | 13,204 | — |
| Rent receipts | — | — | — | — | 147 | — |
| Recovery of legal costs | — | — | — | — | 300 | — |
| Total Appropriations-in-Aid | 13,128* | — | 13,200 | — | 13,651 | — |

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

Departmental Expenditure Limits and Administrative Cost Limits

2002-03 Administration Costs Limits

£000s

| | Gross provision | Income | Total administration costs limit |
|-----------------------------------|--------------------|--------|--|
| Gross administration costs limits | 12,444 | — | 12,444 |

2002–03 Departmental Expenditure Limits

£000s

| | Voted | Non-Voted | Total |
|--------------|-------|-----------|-------|
| Resource DEL | – 684 | — | – 684 |
| Capital DEL | 190 | — | 190 |
| Total DEL | – 494 | — | – 494 |

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

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

Comparison of provision sought with forecast outturn

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

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

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

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

Home Office

Introduction

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

Part I

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

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

RfR1: Building a safe, just and tolerant society

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

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

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

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

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

Part II: Subhead detail (Continued)

£000

| Resources | | | | | | Capital | 2002–03 | 2001–82 Provision | 2001–01 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: Building a safe, just and tolerant society | | | | | | | | | |
| 1,074,260 | 977,643 | 6,238,556 | 8,290,459 | 271,999 | 8,018,460 | 260,663 | 2,158 | 8,346,354 | 6,941,823 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| ★A Police | | | | | | | | | |
| 86,715 | 191,376 | 201,351 | 479,442 | 12,431 | 467,011 | 134,878 | 205 | 419,851 | 199,232 |
| ★B Crime reduction | | | | | | | | | |
| 4,880 | — | 167,400 | 172,280 | — | 172,280 | — | — | 110,552 | — |
| ★C Organised crime, drugs and international | | | | | | | | | |
| 31,797 | 11,928 | 1,800 | 45,525 | 554 | 44,971 | 58 | 5 | 60,072 | 28,371 |
| ★D Criminal policy and programmes | | | | | | | | | |
| 24,994 | 216,930 | 23,307 | 265,231 | 38,184 | 227,047 | 69,910 | — | 625,784 | 132,190 |
| ★E Crime records bureau | | | | | | | | | |
| 70,665 | — | — | 70,665 | 66,665 | 4,000 | 800 | — | 32,600 | — |
| ★F Probation HQ | | | | | | | | | |
| 8,600 | 77,178 | 3,223 | 89,001 | — | 89,001 | — | — | 65,301 | — |
| ★G Community policy | | | | | | | | | |
| 6,413 | 6,220 | 53,995 | 66,628 | 3,780 | 62,848 | 403 | — | 47,913 | 63,961 |
| ★H Immigration and nationality | | | | | | | | | |
| 509,822 | 456,493 | 4,319 | 970,634 | 15,069 | 955,565 | 41,929 | — | 1,676,343 | 1,324,891 |
| ★I Passport service | | | | | | | | | |
| 121,309 | 700 | — | 122,009 | 131,309 | –9,300 | 10,070 | — | –6,916 | –11,076 |
| ★J Research and statistics | | | | | | | | | |
| 9,362 | 9,269 | 35 | 18,666 | 132 | 18,534 | 141 | — | 31,563 | 25,456 |
| ★K Central services | | | | | | | | | |
| 131,131 | 6,371 | — | 137,502 | 2,856 | 134,646 | 835 | — | 163,465 | 144,094 |
| ★L Emergency planning | | | | | | | | | |
| 1,776 | –22 | — | 1,754 | — | 1,754 | — | — | 1,822 | 1,775 |
| <i>Firearms compensation</i> | | | | | | | | | |
| — | — | — | — | — | — | — | — | — | 100 |
| <i>Electoral commission—start up costs</i> | | | | | | | | | |
| — | — | — | — | — | — | — | — | — | 300 |
| <i>Support for Local Authorities</i> | | | | | | | | | |
| M Police: grants | | | | | | | | | |
| — | — | 4,005,480 | 4,005,480 | — | 4,005,480 | — | — | 3,995,109 | 3,823,360 |
| ★N Police current grants outside AEF | | | | | | | | | |
| — | — | 73,514 | 73,514 | — | 73,514 | — | — | 102,752 | 62,773 |
| <i>Probation current grants</i> | | | | | | | | | |
| — | — | — | — | — | — | — | — | — | 409,359 |
| <i>Kosovan evacuees special grant</i> | | | | | | | | | |
| — | — | — | — | — | — | — | — | — | 13,408 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| O Police service superannuation | | | | | | | | | |
| — | — | 1,850 | 1,850 | 1,019 | 831 | — | — | 831 | 616 |
| <i>Metropolitan police civil staff pensions</i> | | | | | | | | | |
| — | — | — | — | — | — | — | — | 6,058 | — |
| <i>Non-Cash items</i> | | | | | | | | | |
| P Police | | | | | | | | | |
| 7,790 | — | — | 7,790 | — | 7,790 | — | — | 7,330 | 8,735 |
| Q Organised and international crime | | | | | | | | | |
| 69 | — | — | 69 | — | 69 | — | — | 102 | 1,106 |
| R Criminal policy and programmes | | | | | | | | | |
| 25,337 | — | — | 25,337 | — | 25,337 | — | — | 15,383 | 23,290 |

Part II: Subhead detail (Continued)

£000

| Resources | | | | | | Capital | 2002–03 | 2001–82 Provision | 2001–01 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 |
| S Criminal records bureau | 450 | — | 450 | — | 450 | — | — | 350 | — |
| T Probation HQ | 50 | — | 50 | — | 50 | — | — | 50 | — |
| U Community policy | 231 | — | 231 | — | 231 | — | — | 203 | 805 |
| V Immigration and nationality | 30,600 | — | 30,600 | — | 30,600 | — | — | 23,009 | 9,782 |
| W Passport service | 2,945 | — | 2,945 | — | 2,945 | — | — | 2,874 | 1,325 |
| X Research and statistics | 207 | — | 207 | — | 207 | — | — | 94 | 5 |
| Y Central services | – 883 | — | – 883 | — | – 883 | — | — | 2,304 | – 10,182 |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | |
| Z Police: capital grants | — | 193,114 | 193,114 | — | 193,114 | — | — | 101,714 | 91,114 |
| AA Crime Reduction: capital grants | — | 63,000 | 63,000 | — | 63,000 | — | — | 203,400 | 23,568 |
| AB Organised and international crime: capital grants | — | 7,190 | 7,190 | — | 7,190 | — | — | 3,556 | 490 |
| AC Criminal policy and programmes capital grant | — | 21,700 | 21,700 | — | 21,700 | — | — | 2,700 | 3,756 |
| AD Community policy capital grants | — | 10,000 | 10,000 | — | 10,000 | — | — | 12,000 | 346 |
| AE Police loan charges: grants | — | 12,553 | 12,553 | — | 12,553 | — | — | 14,200 | 13,936 |
| AF Probation loan charges: grants | — | 2,893 | 2,893 | — | 2,893 | — | — | 2,597 | 2,896 |
| AG Fine refunds to carriers | — | 1,200 | 1,200 | — | 1,200 | — | — | 1,200 | 1,200 |
| AH Police information technology organisation | — | 25,038 | 25,038 | — | 25,038 | — | — | 49,408 | 55,730 |
| AI Police complaints authority | — | 3,570 | 3,570 | — | 3,570 | — | — | 4,418 | 3,467 |
| AJ Central police training and development agency | — | 58,927 | 58,927 | — | 58,927 | — | — | — | — |
| AK National criminal intelligence service | — | 68,500 | 68,500 | — | 68,500 | — | — | — | — |
| AL National crime squad | — | 134,050 | 134,050 | — | 134,050 | — | — | — | — |
| AM Criminal injuries compensation—admin | — | 29,820 | 29,820 | — | 29,820 | — | — | 29,820 | 25,531 |
| AN Criminal injuries compensation | — | 183,264 | 183,264 | — | 183,264 | — | — | 183,264 | 200,500 |
| AO Criminal cases review commission | — | 7,473 | 7,473 | — | 7,473 | — | — | 7,557 | 5,415 |
| AP Youth justice board | — | 284,417 | 284,417 | — | 284,417 | — | — | 298,866 | 218,084 |
| AQ National probation service (local area boards) | — | 571,882 | 571,882 | — | 571,882 | — | — | 20,020 | — |
| AR Office of the Immigration Services Commissioner | — | 3,500 | 3,500 | — | 3,500 | — | — | 3,500 | 2,025 |

Part II: Subhead detail (*Continued*)

£000

| Resources | | | | | | Capital | 2002–03 | 2001–82 Provision | 2001–01 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 | |
| AS Community development foundation | — | — | 937 | — | 937 | — | — | 937 | 937 | |
| AT Commission for racial equality | — | — | 20,053 | — | 20,053 | — | — | 20,184 | 16,685 | |
| AU Forensic Science Service | — | — | 400 | — | 400 | 1,639 | 1,948 | 2,214 | — | |
| AV Office of the Information Commissioner | — | — | 1 | — | 1 | — | — | — | 5,273 | |
| <i>Probation capital grants</i> | — | — | — | — | — | — | — | — | 13,654 | |
| <i>Gaming Board for Great Britain</i> | — | — | — | — | — | — | — | — | 3,540 | |
| RFR2: Protecting the public by holding prisoners in decent conditions and reducing re-offending after release | 2,307,644 | 178,267 | 48,087 | 2,533,998 | 205,422 | 2,328,576 | 162,655 | 25,925 | 2,240,768 | 2,128,870 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★A Prison operations (public sector) | 1,458,876 | 86,888 | 29,025 | 1,574,789 | 172,698 | 1,402,091 | 161,746 | 25,850 | 1,360,856 | 1,248,150 |
| ★B Prison operations (contracted out) | 276,767 | — | — | 276,767 | — | 276,767 | — | — | 269,433 | 232,828 |
| ★C Prison service headquarters and central services | 123,552 | 4,333 | 3,479 | 131,364 | 17,068 | 114,296 | 909 | 75 | 110,009 | 171,290 |
| ★D Prison Service HQ (YJB income) | — | — | — | — | 275 | –275 | — | — | –275 | — |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| E Prison operations (public sector) | 395,096 | — | 12,000 | 407,096 | 15,381 | 391,715 | — | — | 373,316 | 358,962 |
| F Prison operations (contracted out) | 25,100 | — | — | 25,100 | — | 25,100 | — | — | 24,843 | 34,161 |
| G Prison service headquarters and central services | 28,253 | — | — | 28,253 | — | 28,253 | — | — | 28,702 | 11,643 |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | | |
| H Associated with asset disposals | — | 87,046 | — | 87,046 | — | 87,046 | — | — | 70,648 | 71,836 |
| I Prison service parole board | — | — | 3,583 | 3,583 | — | 3,583 | — | — | 3,236 | — |
| Total | 3,381,904 | 1,155,910 | 6,286,643 | 10,824,457 | 477,421 | 10,347,036 | 423,318 | 28,083 | 10,587,122 | 9,070,693 |

Part II: Resource to Cash reconciliation

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

£000

Forecast Operating Cost Statement

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

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

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

| | |
|--------------------------|--|
| Request for Resources 1: | John Gieve, Principal Accounting Officer and Permanent Secretary of the Home Office |
| Request for Resources 2: | Martin Narey, Additional Accounting Officer and Director General of the Prison Service |

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

Analysis of Appropriations in Aid

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

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

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

information and publications, receipts from the Treasury Solicitor's Department, receipts from European Union, contributions toward the grants made (at 13%) from the Scottish Office Home Department to Criminal Injuries Compensation Authority and Criminal Injuries Compensation Appeals Panel, fees for licence for production, supply, possession, import and export of controlled drugs, contributions by employees toward firefighters pensions, police services superannuation transfer values received from local authorities, fees for documents of identity: receipts under the Data Protection Acts 1984 and 1998 and Freedom of Information Act 2000. Payments from the Department for Education and Skills to the Youth Justice Board for young offenders in custody.

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

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

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

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

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

Analysis of Consolidated Fund Extra Receipts

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

Expenditure resting on the sole authority of the Appropriation Act

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

| Subhead | Service | £000 |
|----------|---|--------|
| A3 | Grant to the Independent Custody Visiting Association ■ | 250 |
| A3 | Grant to the association for Bereavement Counselling of Road Accident Victims ■ | 28 |
| A3 | Grant to the Council for the Registration of Forensic Practitioners ■ | 300 |
| A3 | Police Superintendants Association ■ | 380 |
| A3 | Police Federation ■ | 135 |
| A3 | National Black Police Association (NBPA) ■ | 80 |
| A3 | Association of Chief Police Officers (ACPO) ■ | 470 |
| A3 | British Association of Women Police (BAWP) ■ | 35 |
| A3 | Police Negotiating Board (PNB)—Independent Secretariat ■ | 52 |
| A3 | Police Negotiating Board—Official Side Secretariat ■ | 242 |
| A3 | Police Negotiating Board—Staff side ■ | 126 |
| A3 | Grants to Security Industry Council ■ | 35 |
| C3 | Funding for financial investigators to increase receipts from the proceeds of crime | 2,600 |
| D3 | Grants to the National Office of Victim Support ■ | 1,293 |
| D3 | Local victim's support schemes ■ | 14,432 |
| D3 | Grants to voluntary organisations in support of experimental projects aimed at diverting the mentally disturbed from the criminal justice system ■ | 154 |
| G3 & AD2 | Experience Corps ■ | 7,200 |
| G3 & AD2 | Grants to certain national organisations working in the voluntary sector to promote voluntary activity or community development and to support innovatory projects etc ■ | 44,905 |
| G3 | National Council for Voluntary Organisations ■ | 831 |
| G3 | Grants to Women's Royal Voluntary Services ■ | 4,548 |
| G3 | Grants to the National Family and Parenting Institute ■ | 668 |
| G3 | Family Grants programme ■ | 5,603 |
| G3 | Philip Lawrence Awards Scheme ■ | 100 |
| G3 | Grants to voluntary organisations and other bodies for the reception and settlement of refugees, and to assist organisations or projects working to reduce racial disadvantage, racism etc. ■ | 6,375 |
| H3 | Grant to Bosnia and Herzegovina State Border Service for detector dogs ■ | 36 |
| J2 | Development costs of projects in the areas of crime reduction and the Criminal Justice System ■ | 8,505 |
| M3 | Special grants for policing costs ■ | 72,752 |

Cash which may be retained to offset expenditure

2002–03
498,551

£000

Grants in Aid above £1 million

| RfR1 | £'000 |
|--|---------|
| Criminal Injuries Compensation | 183,264 |
| Criminal Cases Review Commission ♥ | 5,286 |
| Youth Justice Board ♥ | 215,665 |
| Police Complaints Authority ♥ | 3,570 |
| Police Information Technology Organisation ♥ | 33,838 |
| National Crime Squad | 6,338 |
| National Criminal Intelligence Service | 3,674 |
| Probation Service grant to local area boards | 515,379 |

Departmental Expenditure Limits and Administration Costs Limits

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

Memorandum item: reconciliation with net admin costs

Add to above

Net admin costs in non-cash AME 513,345

Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB) —

Other income not netted off gross administration cost limits – 193,111

gives:

Total net admin costs 3,001,852

of which:

Voted in OCS 2,990,392

Non-voted administration departmental unallocated provision 11,460

Departmental Expenditure Limits

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

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

Charity Commission

Introduction

1. This Estimate provides for both the resource and capital costs of the Charity Commission for England and Wales. The Commission is the statutory body that regulates charities. Its aim is to give the public confidence in the integrity of charity. The Commission seeks to ensure that charities operate within a framework which enables them to work effectively for the purposes for which they were set up. It collects information about all registered charities and keeps this on a computerised public register of charities. The Commission provides guidance and advice to charities to help them operate more efficiently and effectively, and monitors their activities through their accounts and annual reports. It also helps charities to modernise and change to meet new demands and remain up to date, and it seeks to identify and investigate any dishonesty or deliberate fraud that may endanger charitable assets.

2. The work of the Commission is governed by statute. The Commissioners are appointed by the Home Secretary, but their role is independent, although their decisions can be challenged in the High Court. Further information on expenditure can be found in tables 1 to 3 of the Charity Commission Departmental Report 2002.

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

Part I

| | |
|---|-------------------|
| | £ |
| RfR1: Giving the public confidence in the integrity of charity | 25,785,000 |
| Total net resource requirement | 25,785,000 |
| Net cash requirement | 26,244,000 |

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

RfR1: Giving the public confidence in the integrity of charity.
Administration, capital expenditure and associated non-cash items

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

| | Net Total £ | Allocated in Vote on Account £ | Balance to Complete £ |
|----------------------|----------------|---|-----------------------------|
| RfR1 | 25,785,000 | 9,779,000 | 16,006,000 |
| Net cash requirement | 26,244,000 | 10,003,000 | 16,241,000 |

Part II subhead detail

| | | | | | | | 2002–03 | £'000 | | |
|--|------------------|----------|----------------|---------------|-----------|---------------|---------------------------|-----------------------|------------------------|---------------|
| Resources | | | | | | Capital | 2001–02 Provision | 2000–01 Outturn | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| Admin | Other current | Grants | Gross Total | AinA | Net Total | Capital | Non- operating AinA | Net Total Resource | Net Total Resources | |
| RfR1: Giving the public confidence in the integrity of charity AinA | | | | | | | | | | |
| | 25,805 | — | — | 25,805 | 20 | 25,785 | 1,359 | — | 23,063 | 21,281 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| *A Administration | | | | | | | | | | |
| | 25,025 | — | — | 25,025 | 20 | 25,005 | 1,359 | — | 22,163 | 20,749 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| B Administration | | | | | | | | | | |
| | 780 | — | — | 780 | — | 780 | — | — | 900 | 532 |
| Total | 25,805 | — | — | 25,805 | 20 | 25,785 | 1,359 | — | 23,063 | 21,281 |

Part II: Resource to Cash reconciliation

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

Part III: Extra Receipts payable to the Consolidated Fund

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

| | £000 | | | | | |
|---|---------|-----------------|---------|-----------------|------------|-------------------|
| | 2002–03 | | 2001–02 | | 2000–01 | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as AinA | — | — | — | — | 185 | <i>185</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 | — | — | — | — | 185 | <i>185</i> |

Forecast Operating Cost Statement

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

Notes to the Main Estimates

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations-in-Aid

| | £000 | | | | | |
|---|----------------------|-----------------------------|----------------------|-----------------------------|---------------------|-----------------------------|
| | 2002–03 provision | | 2001–02 provision | | 2000–01 outturn | |
| | Operating A-in-A | Non- operating A-in-A | Operating A-in-A | Non- operating A-in-A | Operating A-in-A | Non- operating A-in-A |
| RfR1: Giving the public confidence in the integrity of charity | | | | | | |
| Sales of copies of document, etc. | 20 | — | 20 | — | 23 | — |
| Total | 20* | — | 20 | — | 23 | — |

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

Analysis of Consolidated fund extra receipts

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

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

£000s

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

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

Net admin costs in non-cash AME 680

Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB) —

Other income not netted off gross administration cost limits – 20

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

Voted in OCS 25,785

Non-voted administration departmental unallocated provision —

2002–03 Departmental Expenditure Limits

£000s

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

1. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 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 | £000s 2000–01 outturn |
|--|----------------------|----------------------|-----------------------------|
| | 20 | 20 | 23 |

Lord Chancellor's Department

Introduction

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

Part I

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

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

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

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

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

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

Part II: Subhead detail

| | | | | | | | £'000 | | | |
|--|---|----------------|------------------|------------------|----------------|------------------|---------------------------|-----------------------|------------------------|------------------|
| Resources | | | | | | Capital | 2002–03 | 2001–02 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: Promoting the development of a modern fair cost efficient system of justice for all | | | | | | | | | | |
| | 698,466 | 729,384 | 1,652,376 | 3,080,226 | 410,155 | 2,670,071 | 15,428 | — | 2,780,918 | 2,507,409 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★A | Headquarters and Associated Offices | | | | | | | | | |
| | 103,136 | 20,969 | 2,078 | 126,183 | 9,081 | 117,102 | 440 | — | 145,551 | 108,363 |
| ★B | Court Service | | | | | | | | | |
| | 510,542 | 165,851 | — | 676,393 | 339,494 | 336,899 | 14,123 | — | 319,059 | 257,960 |
| ★C | Public Guardianship Office | | | | | | | | | |
| | 14,176 | 9,746 | — | 23,922 | 16,023 | 7,899 | 865 | — | 10,140 | — |
| ★D | Criminal Defence Service | | | | | | | | | |
| | — | 486,824 | 435,200 | 922,024 | 1,706 | 920,318 | — | — | 900,318 | — |
| ★E | Community Legal Service | | | | | | | | | |
| | — | — | 711,828 | 711,828 | — | 711,828 | — | — | 792,885 | 796,446 |
| F | Costs from Central Funds | | | | | | | | | |
| | — | 44,555 | — | 44,555 | — | 44,555 | — | — | 44,555 | 38,942 |
| ★G | Invest to Save Budget | | | | | | | | | |
| | — | 1,439 | — | 1,439 | — | 1,439 | — | — | 98 | 1,925 |
| | Public Trust Office | | | | | | | | | |
| | — | — | — | — | — | — | — | — | — | 4,886 |
| | Legal Aid: Criminal | | | | | | | | | |
| | — | — | — | — | — | — | — | — | — | 850,525 |
| <i>Support for Local Authorities</i> | | | | | | | | | | |
| H | Magistrates Courts Grants | | | | | | | | | |
| | — | — | 286,964 | 286,964 | 43,851 | 243,113 | — | — | 301,764 | 268,252 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| I | Headquarters and Associated Offices | | | | | | | | | |
| | 39,750 | — | — | 39,750 | — | 39,750 | — | — | 24,408 | 63,887 |
| J | Court Service | | | | | | | | | |
| | 27,595 | — | — | 27,595 | — | 27,595 | — | — | 27,690 | 10,091 |
| K | Public Guardianship Office | | | | | | | | | |
| | 3,267 | — | — | 3,267 | — | 3,267 | — | — | 2,634 | — |
| | Public Trust Office | | | | | | | | | |
| | — | — | — | — | — | — | — | — | — | 659 |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | | |
| L | Magistrates Courts Grants on Loan Charges | | | | | | | | | |
| | — | — | 16,500 | 16,500 | — | 16,500 | — | — | 16,500 | 16,534 |
| M | Legal Services Commission: Administration | | | | | | | | | |
| | — | — | 70,350 | 70,350 | — | —70,350 | — | — | 70,758 | 72,112 |
| N | Children and Family Courts Advisory and Support Service—CAFCASS | | | | | | | | | |
| | — | — | 70,496 | 70,496 | — | 70,496 | — | — | 80,978 | — |
| O | Office of the Information Commissioner (OIC) | | | | | | | | | |
| | — | — | 14,126 | 14,126 | — | 14,126 | — | — | 9,278 | 1 |
| P | Magistrates Courts Grants | | | | | | | | | |
| | — | — | 44,834 | 44,834 | — | 44,834 | — | — | 34,302 | 16,826 |
| Total | 698,466 | 729,384 | 1,652,376 | 3,080,226 | 410,155 | 2,670,071 | 15,428 | — | 2,780,918 | 2,507,409 |

Resource to Cash reconciliation

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast Operating Cost Statement

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

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

Notes to the Estimates

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

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

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

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

Analysis of Consolidated Fund Extra Receipts

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

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

Memorandum item: reconciliation with net admin costs*Add to above*Net admin costs in non-cash AME 70,612Admin 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** **691,185***of which:*Voted in OCS 691,185Non-voted administration departmental unallocated provision —

| 2002–03 Departmental Expenditure Limits | £000 | | |
|---|------------------|----------------|------------------|
| | Voted | Non-Voted | Total |
| Resource DEL | 2,383,153 | 246,641 | 2,629,794 |
| Capital DEL | 60,262 | 11,356 | 71,618 |
| Total DEL | 2,443,415 | 257,997 | 2,701,412 |

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

Comparison of provision sought with final provision and forecast outturn

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

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

Northern Ireland Court Service

Introduction

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

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

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

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

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

The Northern Ireland Court Service will account for this Estimate.

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

Part II: Subhead detail

| Resources | | | | | | Capital | 2002–03 | 2001–02 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 effective and efficient administration of justice in Northern Ireland | | | | | | | | | |
| 55,700 | 7,763 | 25 | 63,488 | 10,942 | 52,546 | 6,000 | — | 37,609 | 29,237 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| ★A Court and other legal services | | | | | | | | | |
| 42,300 | 7,763 | 25 | 50,088 | 10,942 | 39,146 | 6,000 | — | 25,109 | 18,466 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | |
| ★B Court and other legal services | | | | | | | | | |
| 13,400 | — | — | 13,400 | — | 13,400 | — | — | 12,500 | 10,771 |
| RfR2: Enabling the Legal Aid Department of the Law Society of Northern Ireland to provide timely accurate and cost effective legal aid administration and expenditure control | | | | | | | | | |
| — | 40,780 | 2,108 | 42,888 | — | 42,888 | — | — | 48,074 | 41,327 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| ★A Legal aid and other other services | | | | | | | | | |
| — | 40,780 | 2,108 | 42,888 | — | 42,888 | — | — | 48,074 | 41,327 |
| Total | 55,700 | 48,543 | 2,133 | 106,376 | 10,942 | 95,434 | 6,000 | 85,683 | 70,564 |

Part II Resource to Cash reconciliation

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast Operating Cost Statement

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

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer's Responsibilities

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

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

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

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

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

Analysis of Appropriations in Aid

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

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

Analysis of Consolidated Fund Extra Receipts

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

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

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

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

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

| Administration Costs Limits | | | £000 |
|-----------------------------------|-----------------|--------------|----------------------------------|
| | Gross provision | Income | Total administration costs limit |
| Gross administration costs limits | 42,300 | – 300 | 42,000 |
| Net administration costs limits | — | — | — |
| Departmental Expenditure Limits | | | £000 |
| | Voted | Non-Voted | Total |
| Resource DEL | 82,034 | 5,166 | 87,200 |
| Capital DEL | 6,000 | — | 6,000 |
| Total DEL | 88,034 | 5,166 | 93,200 |

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

Cash which may be retained to offset expenditure

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

| | 2002–03 | 2001–02 | 2000–01 |
|--|-----------|-----------|-----------|
| | provision | provision | provision |
| | 10,942 | 12,442 | 14,104 |

Public Record Office

Introduction

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

Part 1

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

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

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

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

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

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

Part II: Subhead detail

| Resources | | | | | | | Capital | 2002–03 | 2001–02 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: Assisting and promoting the study of the past in order to inform the present and the future | | | | | | | | | | |
| | 37,096 | — | — | 37,096 | 1,600 | 35,496 | 3,300 | — | 35,715 | 28,789 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★A | Public Record Office | | | | | | | | | |
| | 33,226 | — | — | 33,226 | 1,600 | 31,626 | 3,300 | — | 32,345 | 27,042 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| B | Public Record Office | | | | | | | | | |
| | 3,860 | — | — | 3,860 | — | 3,860 | — | — | 3,360 | 1,734 |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | | |
| C | Public Record Office | | | | | | | | | |
| | 10 | — | — | 10 | — | 10 | — | — | 10 | 13 |
| Total | 37,096 | — | — | 37,096 | 1,600 | 35,496 | 3,300 | — | 35,715 | 28,789 |

Part II Resource to Cash reconciliation

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast Operating Cost Statement

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

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

£000

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

Reconciliation of capital expenditure between Estimates and Budgets

£000

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

Explanation of Accounting Officer responsibilities

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

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

Analysis of Appropriations in Aid

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

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

Analysis of Consolidated Fund Extra Receipts

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

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

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

Cash which may be retained to offset expenditure

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

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

The Crown Prosecution Service

Introduction

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

Part I

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

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

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

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

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

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

Part II: Subhead detail

£000

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

Part II Resource to Cash reconciliation

£000

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast Operating Cost Statement

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

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

Notes to the Estimates

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

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

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

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

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

Analysis of Appropriations in Aid

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

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

Analysis of Consolidated Fund Extra Receipts

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

2002–03 Administration Costs Limits

| | £000 | | |
|-----------------------------------|-----------------|---------|----------------------------------|
| | Gross provision | Income | Total administration costs limit |
| Gross administration costs limits | 283,628 | – 1,569 | 282,059 |
| Net administration costs limits | — | — | — |

2002–03 Departmental Expenditure Limits

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

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

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

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

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

Cash which may be retained to offset expenditure

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

Serious Fraud Office

Introduction

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

Part I

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

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

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

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

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

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

Part II: Subhead detail

£'000

| Resources | | | | | | 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 |
| RfRI: Reducing fraud and the cost of fraud and delivering justice and the rule of law | | | | | | | | | |
| 15,690 | 6,530 | | 22,220 | 470 | 21,750 | 600 | — | 21,250 | 20,049 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| ★A Administration | | | | | | | | | |
| 15,390 | — | — | 15,390 | — | 15,390 | 600 | — | 14,890 | 12,459 |
| ★B Investigations and Prosecutions | | | | | | | | | |
| — | 6,380 | — | 6,380 | 470 | 5,910 | — | — | 5,910 | 7,401 |
| ★C Administration | | | | | | | | | |
| 300 | 150 | | 450 | — | 450 | — | — | 450 | 189 |
| Total | 15,690 | 6,530 | 22,220 | 470 | 21,750 | 600 | — | 21,250 | 20,049 |

Part II: Resource to Cash reconciliation

£'000

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast Operating Cost Statement

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

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

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

| Detail | 2002–03 provision | | 2001–02 provision | | 2000–01 outturn | |
|---|----------------------|-----------------------|----------------------|-----------------------|--------------------|-----------------------|
| | AinA | Non-operating AinA | AinA | Non-operating AinA | AinA | Non-operating AinA |
| RfR1: Reducing fraud and the costs of fraud and delivering justice and the rule of law | | | | | | |
| Income from costs awards | 470 | — | 470 | — | 179 | — |
| Total | 470* | — | 470 | — | 179 | — |

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

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

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

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

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

Cash which may be retained to offset expenditure

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

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

HM Procurator General & Treasury Solicitor

Introduction

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

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

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

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

Administration, costs and fees for legal and related services, residual matters following the closure of the Government Property Lawyers Agency and associated non-cash items.

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

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

Part II: Subhead detail

£'000

| Resources | | | | | | Capital | 2002–03 | 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: Providing comprehensive and competitive legal services to government departments and publicly funded bodies | | | | | | | | | |
| 46,265 | 38,917 | — | 85,182 | 70,639 | 14,543 | 4,650 | — | 14,998 | 9,569 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| ★A | TSD Administration | | | | | | | | |
| 37,903 | — | — | 37,903 | 34,756 | 3,147 | — | — | 4,153 | 3,817 |
| ★B | TSD Other | | | | | | | | |
| — | — | — | — | — | — | 4,620 | — | — | — |
| ★C | LSLO Administration | | | | | | | | |
| 3,182 | — | — | 3,182 | — | 3,182 | 30 | — | 2,605 | 2,381 |
| ★D | GPL Administration | | | | | | | | |
| 703 | — | — | 703 | 580 | 123 | — | — | 500 | 44 |
| ★E | Operational Costs | | | | | | | | |
| — | 38,000 | — | 38,000 | 35,303 | 2,697 | — | — | 2,698 | 2,560 |
| ★F | CPSI Administration | | | | | | | | |
| 3,687 | — | — | 3,687 | — | 3,687 | — | — | 3,335 | — |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | |
| G | Treasury Solicitors | | | | | | | | |
| 780 | 885 | — | 1,665 | — | 1,665 | — | — | 1,665 | 720 |
| H | LSLO | | | | | | | | |
| 10 | 32 | — | 42 | — | 42 | — | — | 42 | 47 |
| Total | 46,265 | 38,917 | 85,182 | 70,639 | 14,543 | 4,650 | — | 14,998 | 9,569 |

Part II: Resource to Cash reconciliation

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

Part III: Extra Receipts payable to the Consolidated Fund

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

Forecast Operating Cost Statement

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

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

| | 2002–03 | | 2001–02 | | 2000–01 | |
|---|-------------------|-----------------------|-------------------|-----------------------|-------------------|-----------------------|
| | provision | | provision | | outturn | |
| | Operating AinA | Non-operating AinA | Operating AinA | Non-operating AinA | Operating AinA | Non-operating AinA |
| RfR1: Providing comprehensive and competitive legal services to government department and publicly funded bodies | | | | | | |
| Income from administrative receipts (including time charges) | 33,336 | — | 28,861 | — | 21,359 | — |
| Income from BV receipts only | 2,000 | — | 2,000 | — | 1,904 | — |
| Income from disbursement charges | 35,303 | — | 35,233 | — | 41,542 | — |
| TOTAL | 70,639* | — | 66,094 | — | 64,805 | — |

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

Departmental Expenditure Limit and Administration Cost Limit

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

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

- 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.

Ministry of Defence

Introduction

RfR1: Provision of Defence Capability

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

RfR2: Conflict Prevention

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

RfR3: War Pensions and Allowances, etc

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

Part I

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

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

RfR1: Provision of Defence Capability

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

RfR2: Conflict Prevention

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

RfR3: War Pensions and Allowances, etc

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

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

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

Part II: Subhead detail

£000

| | Resources | | | | | | Capital | 2002–03 | 2001–02 | 2000–01 |
|--|-----------|-------------------|----------------|-------------------|------------------|-------------------|------------------|--------------------|--------------------|---------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | Admin | Other current | Grants | Gross Total | AinA | Net Total | Capital | Non-operating AinA | Net Total Resource | Net Total Resources |
| RfR1: Provision of Defence Capability | — | 32,536,621 | 146,999 | 32,683,620 | 1,395,807 | 31,287,813 | 5,737,272 | 217,169 | 31,185,847 | 33,349,681 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★ A Commander-in-Chief Fleet | — | 1,269,082 | — | 1,269,082 | 21,454 | 1,247,628 | 19,173 | 9 | 1,260,533 | 1,223,632 |
| ★ B General Officer Commanding (Northern Ireland) | — | 495,237 | — | 495,237 | 1,661 | 493,576 | 34,000 | 1,300 | 485,037 | 520,140 |
| ★ C Commander-in-Chief Land Command | — | 3,819,667 | — | 3,819,667 | 179,304 | 3,640,363 | 90,207 | 172 | 3,549,361 | 3,468,155 |
| ★ D Air Officer Commanding-in-Chief RAF Strike Command | — | 1,822,840 | — | 1,822,840 | 27,908 | 1,794,932 | 56,229 | — | 1,800,045 | 1,712,112 |
| ★ E Chief of Joint Operations | — | 379,505 | — | 379,505 | 27,856 | 351,649 | 28,471 | 401 | 330,247 | 388,591 |
| ★ F Chief of Defence Logistics | — | 4,694,294 | 1,300 | 4,695,594 | 342,453 | 4,353,141 | 888,928 | 27,898 | 4,442,126 | 5,107,437 |
| ★ G 2nd Sea Lord/Commander-in-Chief Naval Home Command | — | 643,019 | — | 643,019 | 42,649 | 600,370 | 10,600 | — | 604,300 | 588,641 |
| ★ H Adjutant General (Personnel and Training Command) | — | 1,396,420 | — | 1,396,420 | 22,352 | 1,374,068 | 49,800 | — | 1,376,960 | 1,347,362 |
| ★ I Air Officer Commanding-in-Chief RAF Personnel and Training Command | — | 931,821 | — | 931,821 | 153,098 | 778,723 | 11,703 | 118 | 755,854 | 728,092 |
| ★ J Central | — | 2,450,848 | 145,200 | 2,596,048 | 533,830 | 2,062,218 | 54,925 | 158,777 | 2,105,748 | 2,008,525 |
| ★ K Defence Procurement Agency | — | 1,085,944 | — | 1,085,944 | 13,677 | 1,072,267 | 4,493,236 | — | 1,051,381 | 1,241,256 |
| ★ L Major Customers' Research Budget | — | 412,844 | — | 412,844 | — | 412,844 | — | — | 418,171 | 407,882 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non-Cash Items</i> | | | | | | | | | | |
| M Commander-in-Chief Fleet | — | 2,550,860 | — | 2,550,860 | — | 2,550,860 | — | — | 2,478,492 | 2,586,424 |
| N General Officer Commanding (Northern Ireland) | — | 137,959 | — | 137,959 | — | 137,959 | — | — | 124,688 | 105,580 |
| O Commander-in-Chief Land Command | — | 1,485,148 | — | 1,485,148 | — | 1,485,148 | — | — | 1,398,473 | 1,352,582 |
| P Air Officer Commanding-in-Chief RAF Strike Command | — | 2,330,436 | — | 2,330,436 | — | 2,330,436 | — | — | 2,054,550 | 1,930,476 |
| Q Chief of Joint Operations | — | 133,552 | — | 133,552 | — | 133,552 | — | — | 140,978 | 159,109 |
| R Chief of Defence Logistics | — | 4,348,800 | — | 4,348,800 | — | 4,348,800 | — | — | 4,274,187 | 5,915,865 |
| S 2nd Sea Lord/Commander-in-Chief Naval Home Command | — | 68,500 | — | 68,500 | — | 68,500 | — | — | 72,836 | 75,006 |
| T Adjutant General (Personnel and Training Command) | — | 256,709 | — | 256,709 | — | 256,709 | — | — | 283,794 | 250,306 |
| U Air Officer Commanding-in-Chief RAF Personnel and Training Command | — | 155,925 | — | 155,925 | — | 155,925 | — | — | 174,699 | 165,732 |
| V Central | — | 279,384 | — | 279,384 | — | 279,384 | — | — | 382,899 | 751,619 |
| W Defence Procurement Agency | — | 1,384,764 | — | 1,384,764 | — | 1,384,764 | — | — | 1,626,920 | 1,087,560 |
| X Major Customers' Research Budget | — | -3,646 | — | -3,646 | — | -3,646 | — | — | -4,034 | -6,807 |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | | |
| Y Commander-in-Chief Fleet | — | — | — | — | — | — | — | — | 14,963 | 9,550 |
| Z General Officer Commanding (Northern Ireland) | — | — | — | — | — | — | — | — | 372 | 21,273 |
| AA Commander-in-Chief Land Command | — | — | — | — | — | — | — | — | -6,531 | 28,312 |
| AB Air Officer Commanding-in-Chief RAF Strike Command | — | — | — | — | — | — | — | — | 9,778 | 248,390 |
| AC Chief of Joint Operations | — | — | — | — | — | — | — | — | -451 | 7,552 |
| AD Chief of Defence Logistics | — | — | — | — | 6,065 | -6,065 | — | — | -10,969 | -15,709 |
| AE 2nd Sea Lord/Commander-in-Chief Naval Home Command | — | — | — | — | — | — | — | — | 1,667 | 5,125 |

Part II: Subhead detail (Continued)

£000

| | Resources | | | | | | Capital | 2002–03 | 2001–02 | 2000–01 |
|--|-----------|-------------------|------------------|-------------------|------------------|-------------------|------------------|--------------------|--------------------|---------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | Provision | Outturn |
| | Admin | Other current | Grants | Gross Total | AinA | Net Total | Capital | Non-operating AinA | Net Total Resource | Net Total Resources |
| AF Adjustant General (Personnel and Training Command) | — | — | — | — | — | — | — | — | 2,441 | 6,234 |
| AG Air Officer Commanding-in-Chief RAF Personnel and Training Command | — | — | — | — | — | — | — | — | 1,518 | –2,392 |
| Z Central | — | 6,709 | 499 | 7,208 | 23,500 | –16,292 | — | — | –15,186 | –69,333 |
| AI Defence Procurement Agency | — | — | — | — | — | — | — | — | — | –4,398 |
| AJ Loans and grants to and repayments from the Hydrographic Office | — | — | — | — | — | — | — | 279 | — | — |
| AB Loans and grants to and repayments from DSTL | — | — | — | — | — | — | — | 2,100 | — | — |
| AC Loans and grants to and repayments from DARA | — | — | — | — | — | — | — | 2,115 | — | — |
| AD Loans and grants to and repayments from QinetiQ | — | — | — | — | — | — | — | 24,000 | — | — |
| RfR2: Conflict Prevention | — | 341,141 | — | 341,141 | — | 341,141 | 106,500 | — | 573,177 | — |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★A Programme Sub-Saharan Africa | — | 18,929 | — | 18,929 | — | 18,929 | — | — | 34,597 | — |
| ★B Programme Rest of the World | — | 19,661 | — | 19,661 | — | 19,661 | — | — | 14,703 | — |
| Peacekeeping Sub-Saharan Africa | — | — | — | — | — | — | — | — | 2,574 | — |
| ★C Peacekeeping Rest of the World | — | 255,365 | — | 255,365 | — | 255,365 | 106,500 | — | 502,003 | — |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| Programme Sub-Saharan Africa | — | — | — | — | — | — | — | — | 300 | — |
| D Peacekeeping Rest of the World | — | 47,186 | — | 47,186 | — | 47,186 | — | — | 19,000 | — |
| RfR3: War Pensions—Programme Costs | — | 5 | 1,186,715 | 1,186,720 | — | 1,186,720 | — | — | 1,240,692 | 1,411,782 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| A War Pensions—Programme Costs | — | 5 | 1,185,500 | 1,185,505 | — | 1,185,505 | — | — | 1,197,377 | 1,221,678 |
| B War Pensions—Programme Costs—Far Eastern Prisoners of War | — | — | 1,200 | 1,200 | — | 1,200 | — | — | 43,000 | 189,240 |
| C War Pensions—Programme Costs—British Limbless Ex-Servicemen's Association (BLESMA) | — | — | 15 | 15 | — | 15 | — | — | 15 | 8 |
| <i>Non-Cash items</i> | | | | | | | | | | |
| War Pensions—Programme Costs | — | — | — | — | — | — | — | — | 300 | 856 |
| Total | — | 32,877,767 | 1,333,714 | 34,211,481 | 1,395,807 | 32,815,674 | 5,843,772 | 217,169 | 32,999,716 | 34,761,463 |

Part II: Resource to Cash reconciliation

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

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

Part III: Extra Receipts payable to the Consolidated Fund

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

| | 2002–03 | | 2001–02 | | 2000–01 | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Operating income not classified as AinA | 17,940 | <i>17,940</i> | 25,011 | <i>25,011</i> | 21,654 | <i>21,654</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 | 17,940 | 17,940 | 25,011 | 25,011 | 21,654 | 21,654 |

£000

Forecast Operating Cost Statement

£'000

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

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of the Ministry of Defence, Sir Kevin Tebbit, as the Accounting Officer of the Department with responsibility for preparing the Department's Estimates of Defence Capability (RfR1), Conflict Prevention (RfR2) and War Pensions (RfR3).

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

Analysis of Appropriations in Aid

£000

| | 2002–03 | | 2001–02 | | 2000–01 | |
|---|-------------------|------------------|------------------|----------------|------------------|----------------|
| | Provision | | Provision | | Outturn | |
| | AinA | Non-op AinA | AinA | Non-op AinA | AinA | Non-op AinA |
| RfR1: Provision of defence capability | | | | | | |
| Income from Supplies and Services | 987,497 | — | 350,045 | — | 271,262 | — |
| Loan and Rental Income | 228,880 | — | 38,261 | — | 42,832 | — |
| Interest Received | 4,290 | — | 215 | — | 14,720 | — |
| Other Income | 175,140 | — | 869,604 | — | 792,715 | — |
| Payment for the War Pensions Agency (WPA) from the Department for Work and Pensions | — | — | 37,107 | 300 | 1,125 | 104 |
| Payment for the Security Services Group (SSG) from the Cabinet Office | — | — | 13,375 | — | 13,992 | 30 |
| Income from sale of Fixed Assets | — | 188,675 | — | 252,076 | — | 317,987 |
| Loan Repayments from Trading Funds | — | 28,494 | — | 84,157 | — | 18,759 |
| Total | 1,395,807* | 217,169** | 1,308,607 | 336,533 | 1,136,646 | 336,880 |

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

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

Analysis of Consolidated Fund Extra Receipts

£000

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

2002–03 Departmental Expenditure Limits

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

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

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

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

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

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

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

Contingent Liabilities

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

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

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

Other Notes to the Estimate (*continued*)

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

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

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

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

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

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

Cash which may be retained to offset expenditure:

£'000

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

1,395,807

Armed Forces Retired Pay, Pensions, etc

Introduction

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

- (a) expenditure and receipts on transfer payments for personnel transferring outside the Armed Forces;
 - (b) income from transfer payments and purchase of added years, etc, and the increases payable in accordance with the Annual Review Orders;
 - (c) payment of those benefits outside the AFPS. Such benefits include short service gratuities, resettlement grants, and pensions for inter-war pensions and locally engaged personnel;
 - (d) the accruing superannuation liability charges (ASLC) receipts for armed forces personnel. The related expenditure is borne on Provision of Defence Capability, RfR1.
 - (e) this Estimate also provides for the payment of injury benefits to adult instructors of the cadet forces.
2. It has been assumed that pensions averaging £6,230 will be paid to 341,000 retired armed forces personnel (including widows and dependants), compared to an average of £5,652 paid to 336,000 retired armed forces personnel (including widows and dependants) in 2001–02.
3. The Ministry of Defence is responsible for administering the AFPS; the related staff and other costs are borne on Provision of Defence Capability, RfR1.
4. Supporting information relating to expenditure contained in this Estimate is included in “The Government's Expenditure Plans 2002–03 to 2003–04, Ministry of Defence.”
5. Symbols are explained in the Introduction to this booklet.

Part I

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

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

RfR1: Armed Forces Retired Pay, Pensions, etc

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

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

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

Part II: Subhead detail

£'000

| Resources | | | | | | Capital | 2002–03 | 2001–02 Provision | 2001–01 Outturn | |
|---|--|-----------|------------|-----------|-----------|-----------|---------------------------|-----------------------|------------------------|-----------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| Admin | Other current | Grants | GrossTotal | AinA | Net Total | Capital | Non- operating AinA | Net Total Resource | Net Total Resources | |
| RfR1: Armed Forces Retired Pay, Pensions, etc. | | | | | | | | | | |
| — | — | 2,514,143 | 2,514,143 | 1,113,012 | 1,401,131 | — | — | 1,426,001 | 1,231,598 | |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| A | Retired Pay, Pensions and other payments to Service Personnel and their dependants | | | | | | | | | |
| — | — | 2,514,143 | 2,514,143 | 1,113,012 | 1,401,131 | — | — | 1,426,001 | 1,231,598 | |
| Total | — | — | 2,514,143 | 2,514,143 | 1,113,012 | 1,401,131 | — | — | 1,426,001 | 1,231,598 |

Part II: Resource to Cash reconciliation

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

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast Combined Revenue Account

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

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

| | £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: Armed Forces, Retired Pay, Pensions etc | | | | | | |
| Contributions receivable | 1,109,304 | — | 1,012,329 | — | 1,040,496 | — |
| Transfers in | 2,277 | — | 1,554 | — | 2,203 | — |
| Other income | 1,431 | — | 117 | — | 254 | — |
| Total | 1,113,012* | — | 1,014,000 | — | 1,042,953 | — |

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

Analysis of Consolidated Fund Extra Receipts (CFERs)

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

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

Cash which may be retained to offset expenditure:

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

Foreign and Commonwealth Office

Introduction

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

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

Part I

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

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

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

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

RfR2: Conflict prevention.

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

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

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

Part II: Subhead detail

£000

| Resources | | | | | | Capital | 2002–03 | 2001–02 Provision | 2001–01 Outturn | |
|---|------------------|----------------|----------------|------------------|----------------|------------------|---------------------------|-----------------------|------------------------|------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| Admin | Other current | Grants | GrossTotal | AinA | Net Total | Capital | Non- operating AinA | Net Total Resource | Net Total Resources | |
| RfR1: Promoting internationally the interests of the UK and contributing to a strong world community | | | | | | | | | | |
| 891,810 | 244,157 | 294,342 | 1,430,309 | 163,584 | 1,266,725 | 139,456 | 30,015 | 1,236,201 | 1,544,578 | |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★A Administration international organisations programmes and BBC Monitoring subscriptions | | | | | | | | | | |
| 725,847 | 55,198 | 110,681 | 891,726 | 163,584 | 728,142 | 139,456 | 30,015 | 729,354 | 730,781 | |
| ★B BBC World Service Broadcasting grant in aid | | | | | | | | | | |
| — | 170,278 | — | 170,278 | — | 170,278 | — | — | 168,055 | 181,812 | |
| Peacekeeping | | | | | | | | | | |
| — | — | — | — | — | — | — | — | — | 133,267 | |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| C Accruals consequences of DEL programmes: administration | | | | | | | | | | |
| 165,963 | 681 | — | 166,644 | — | 166,644 | — | — | 158,107 | 320,388 | |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | | |
| E Reimbursement of certain duties taxes and licence fees | | | | | | | | | | |
| — | 18,000 | — | 18,000 | — | 18,000 | — | — | 18,000 | 15,410 | |
| F BBC World Service—Capital grant | | | | | | | | | | |
| — | — | 30,000 | 30,000 | — | 30,000 | — | — | 17,700 | 25,200 | |
| G British Council grant in aid | | | | | | | | | | |
| — | — | 153,661 | 151,361 | — | 153,661 | — | — | 144,985 | 137,720 | |
| RfR2: Conflict prevention | | | | | | | | | | |
| — | — | 246,145 | 246,145 | — | 246,145 | — | — | 211,508 | — | |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★A Sub-Saharan Africa—Programme expenditure | | | | | | | | | | |
| — | — | 2,318 | 2,318 | — | 2,318 | — | — | 4,435 | — | |
| ★B Global—Programme expenditure | | | | | | | | | | |
| — | — | 13,590 | 13,590 | — | 13,590 | — | — | 20,153 | — | |
| ★C Sub-Saharan Africa—Peacekeeping | | | | | | | | | | |
| — | — | 99,124 | 99,124 | — | 99,124 | — | — | 72,487 | — | |
| ★D Global—Peacekeeping | | | | | | | | | | |
| — | — | 131,113 | 131,113 | — | 131,113 | — | — | 114,433 | — | |
| Total | 891,810 | 244,157 | 540,487 | 1,676,454 | 163,584 | 1,512,870 | 139,456 | 30,015 | 1,447,709 | 1,544,578 |

Part II: Resource to Cash reconciliation

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast Operating Cost Statement

£'000

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

Notes to the Estimates

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Analysis of Appropriations in Aid

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

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

Salary refunds of seconded diplomatic staff and locally engaged staff, the sale of information material, income from sub-letting and receipts from sales of surplus material and equipment; receipts at home and overseas for legalisation fees, telephone and postage recoveries, medical scheme recoveries, bank interest and sundry other receipts, repayment by locally engaged staff of loans for car purchase and medical and other assistance, receipts from Government Departments, receipts for visa, passport and other services provided at consular offices; Wilton Park executive agency receipts for related running costs from other customers and receipts from sales and rents, Hospitality section, Conference and Visits Group, and Lancaster House receipts for related running costs from other customers, repayment of sums advanced to distressed British Nationals; repayment of defence assistance loans to Singapore and Malaysia, receipts from sales into wider markets.

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

Analysis of Consolidated Fund Extra Receipts

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

Explanation of Accounting Officer Responsibilities

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

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

| Details of 2002–03 Departmental Expenditure Limits | Voted | Non-Voted | £000 Total |
|--|------------------|----------------|------------------|
| Resource DEL | 1,144,565 | 174,032 | 1,318,597 |
| Capital DEL | 109,441 | 35,800 | 145,241 |
| Total DEL | 1,254,006 | 209,832 | 1,463,838 |

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

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

| Details of 2002–03 Administration Costs Limits | Gross provision | Income | £000 Total administration costs limit |
|--|-----------------|----------|--|
| Gross administration costs limit | 725,847 | – 47,805 | 678,042 |
| Net administration costs limits | — | — | — |

Comparison of provision sought with final provision for previous year

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

Contingent Liabilities

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

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

Non-pay Staff Benefits

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

Subscriptions to International Organisations above £1 million.

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

Grant Funded Expenditure above £1 million:

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

Cash which may be retained to offset expenditure:

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

International Development

Introduction

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

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

Part I

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

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

RfR1: Eliminating Poverty in Poorer Countries

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

RfR2: Conflict Prevention

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

The **Department for International Development** will account for this Estimate.

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

Part II: Subhead detail

£'000

| | Resources | | 3 | 4 | 5 | 6 | Capital 7 | 2002–03 | 2001–02 | 2000–01 |
|--|---------------|------------------|------------------|------------------|--------------|------------------|---------------|---------------------------|-----------------------|------------------------|
| | 1 | 2 | | | | | | 8 | Provision 9 | Outturn 10 |
| | Admin | Other current | Grants | Gross Total | AinA | Net Total | Capital | Non- operating AinA | Net Total Resource | Net Total Resources |
| RfR1: Eliminating Poverty in Poorer Countries | 97,869 | 151,634 | 2,287,397 | 2,536,900 | 5,333 | 2,531,567 | 61,963 | 47,601 | 2,534,553 | 2,376,358 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| A Bilateral development assistance expenditure | — | — | 1,491,437 | 1,491,437 | 633 | 1,490,804 | — | 27,978 | 1,608,398 | 1,294,426 |
| B Multilateral development assistance | — | — | 451,180 | 451,180 | 100 | 451,080 | 39,525 | 19,320 | 415,851 | 384,450 |
| ★C Administration | 75,586 | 2,000 | — | 77,586 | 4,600 | 72,986 | 22,438 | 23 | 74,314 | 68,242 |
| D Certain beneficiaries of the Gibraltar Social Insurance Fund | — | 8,000 | — | 8,000 | — | 8,000 | — | — | 7,600 | 7,723 |
| E Unallocated | — | — | 50,000 | 50,000 | — | 50,000 | — | — | — | — |
| F Public/Private Partnership with the Commonwealth Development Corporation | 1,000 | — | — | 1,000 | — | 1,000 | — | — | 500 | 792 |
| G Crown Agents Loan Repayments | — | — | — | — | — | — | — | 280 | — | — |
| H Anti money-laundering | — | — | 1 | 1 | — | 1 | — | — | 1 | — |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| I Bilateral development assistance | — | 82,851 | — | 82,851 | — | 82,851 | — | — | 77,447 | 91,578 |
| J Multilateral development assistance | — | 58,783 | 294,779 | 353,562 | — | 353,562 | — | — | 338,706 | 519,168 |
| K Administration | 21,283 | — | — | 21,283 | — | 21,283 | — | — | 11,736 | 9,979 |
| RfR2: Conflict Prevention | — | — | 35,654 | 35,654 | — | 35,654 | — | — | 28,250 | — |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| A Sub-Saharan Africa—Programme expenditure | — | — | 21,754 | 21,754 | — | 21,754 | — | — | 15,350 | — |
| B Global—Programme expenditure | — | — | 13,900 | 13,900 | — | 13,900 | — | — | 12,900 | — |
| Total | 97,869 | 151,634 | 2,323,051 | 2,572,554 | 5,333 | 2,567,221 | 61,963 | 47,601 | 2,562,803 | 2,376,358 |

Part II: Resource to Cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2002–03 provision | 2001–02 provision | 2000–01 outturn |
| Net Total Resources | 2,567,221 | 2,562,803 | 2,376,358 |
| Voted Capital Items | | | |
| Capital | 61,963 | 63,650 | 17,880 |
| <i>Less</i> Non-operating A-in-A | 47,601 | 43,203 | 31,713 |
| | 14,362 | 20,447 | – 13,833 |
| Accruals to cash adjustment | | | |
| Cost of capital charges | – 146,258 | – 151,055 | – 152,274 |
| Depreciation | – 16,925 | – 9,119 | – 8,966 |
| New provisions and adjustments to previous provisions | – 294,779 | – 267,981 | – 459,751 |
| Other non-cash items | – 70 | – 140 | – 140 |
| Increase (+)/Decrease (–) in stock | — | — | — |
| Increase (+)/Decrease (–) in debtors | — | — | – 7,678 |
| Increase (–)/Decrease (+) in creditors | — | — | 23,788 |
| Use of provisions | 404,634 | 342,237 | 340,789 |
| Total accruals to cash adjustments | – 53,398 | – 86,058 | – 248,876 |
| Excess cash to be CFERd | — | — | — |
| Net Cash Requirement | 2,528,185 | 2,497,192 | 2,113,649 |

Part III: Extra Receipts payable to the Consolidated Fund

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

| | £000 | | | | | |
|---|----------------------|-----------------|----------------------|-----------------|--------------------|-----------------|
| | 2002–03 provision | | 2001–02 provision | | 2000–01 outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as AinA | 15,000 | <i>15,000</i> | 18,000 | <i>18,000</i> | 10,293 | <i>6,500</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 | 15,000 | 15,000 | 18,000 | 18,000 | 10,293 | 6,500 |

Forecast Operating Cost Statement

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

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

| Detail | 2002–03 provision | | 2001–02 provision | | 2000–01 outturn | |
|--|----------------------|-----------------------|----------------------|-----------------------|--------------------|-----------------------|
| | Operating AinA | Non-operating AinA | Operating AinA | Non-operating AinA | Operating AinA | Non-operating AinA |
| RfR1: Eliminating poverty in poorer countries | | | | | | |
| Loan repayments | — | 27,298 | — | 24,900 | — | 32,400 |
| Guarantee refunds from European Investment Bank | 100 | — | 100 | — | 100 | — |
| Administrative costs recoveries | 4,500 | 23 | 3,771 | 23 | 3,867 | — |
| Recovery of EBRD Director's salary | 100 | — | 76 | — | 76 | — |
| Crown Agents Loan repayment | — | 280 | — | 280 | — | 280 |
| Receipts from overseas governments | 633 | — | 1,500 | — | 633 | — |
| Income from CDC Group plc | — | 20,000 | — | 24,000 | — | — |
| Refunds of VAT | — | — | — | — | 100 | — |
| Total | 5,333* | 47,601** | 5,447 | 43,203 | 4,776 | 32,680 |

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

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

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

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

Analysis of Consolidated Fund Extra Receipts

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

Departmental Expenditure Limits and Administrative Cost Limits

2002-03 Administration Costs Limits

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

2002–03 Departmental Expenditure Limits

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

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

Cash which may be retained to offset expenditure

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

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

Department for International Development: Overseas Superannuation

Introduction

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

Part I

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

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

RfR1: Overseas superannuation:

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

The **Department for International Development** will account for this Estimate.

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

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

Part II: Subhead detail

£'000

| Resources | | | | | | Capital | 2002–03 | 2001–02 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: Overseas Superannuation | | | | | | | | | | |
| — | — | 118,383 | 118,383 | 49 | 118,334 | — | — | 121,070 | 123,486 | |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| A DFID: Overseas Superannuation pensions | | | | | | | | | | |
| — | — | 118,383 | 118,383 | 49 | 118,334 | — | — | 121,070 | 123,486 | |
| Total | — | — | 118,383 | 118,383 | 49 | 118,334 | — | — | 121,070 | 123,486 |

Part II: Resource to Cash reconciliation

| | 2002–03 provision | 2001–02 provision | 2000–01 outturn |
|--|----------------------|----------------------|--------------------|
| Net Total Resources | 118,334 | 121,070 | 123,486 |
| Voted Capital Items | | | |
| Capital | — | — | — |
| Less Non-operating AinA | — | — | — |
| | — | — | — |
| Accruals to cash adjustment | | | |
| Cost of capital charges | — | — | — |
| Depreciation | — | — | — |
| New provisions and adjustments to previous provision | — | — | — |
| Other non-cash items | — | — | — |
| Increase (+)/Decrease (–) in stock | — | — | — |
| Increase (+)/Decrease (–) in debtors | — | — | 237 |
| Increase (–)/Decrease (+) in creditors | — | — | 221 |
| Use of provisions | — | — | — |
| Total accruals to cash adjustments | — | — | 458 |
| Excess cash to be CFERd | — | — | — |
| Net Cash Requirement | 118,334 | 121,070 | 123,944 |

Part III: Extra Receipts payable to the Consolidated Fund

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

Forecast Combined Revenue Account

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

Reconciliation of resource expenditure between Estimates, accounts and budgets

| | 2002–03 provision | 2001–02 provision | 2000–01 outturn |
|---|----------------------|----------------------|--------------------|
| | | | £000 |
| Net Resource Outturn (Estimates) | 118,334 | 121,070 | 123,486 |
| <i>Adjustments for:</i> | | | |
| Consolidated Fund Extra Receipts in the OCS | — | — | – 5 |
| Net Operating Costs (Accounts) | 118,334 | 121,070 | 123,481 |
| <i>Adjustments for:</i> | | | |
| Resource Budget Outturn | 118,334 | 121,070 | 123,481 |
| <i>of which:</i> | | | |
| Annually Managed Expenditure (AME) | 118,334 | 121,070 | 123,481 |

Notes to the Main Estimate

Explanation of Accounting Officers Responsibilities

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

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

Analysis of Appropriations in Aid

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

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

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

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

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

Expenditure resting on the sole authority of the Appropriation Act

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

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

Cash which may be retained to offset expenditure

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

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

Department of Trade and Industry

Introduction

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

RfR1: Increasing UK Competitiveness

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

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

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

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

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

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

7. DTI will issue overall resource-based budgets and make payments of grant-in-aid to the Regional Development Agencies (RDAs). DTLR, DfES, DEFRA and BTI will contribute by supplying resources which DTI will appropriate in aid. DTI will manage the resources centrally, with payments to RDAs being authorised and certified by the Government Offices for the Regions (GOs). The eight RDAs (excluding London) are currently expected to receive £80,796,000 of receipts from the private sector and local authorities. They are entitled to use receipts of up to a total of £216,955,000. Receipts over and above that level will be treated as appropriations in aid, for which Parliamentary approval will be needed, or surrendered to the Consolidated Fund as extra receipts.

8. Details of contingent liabilities arising from statutory and non-statutory commitments for which this department takes responsibility are shown below.

9. Details of long term projects can be found at Annex C3 of “The Government’s Expenditure Plans 2002–03” (CM 5416).

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

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

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

RfR1: Increasing UK Competitiveness

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

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

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

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

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

Part II: Subhead detail

| | | | | | | | £'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: Increasing UK Competitiveness | | | | | | | | | | |
| 491,914 | 313,473 | 3,181,005 | 3,986,392 | 1,579,046 | 2,407,346 | 231,700 | 122,294 | 2,643,118 | 5,182,475 | |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | | | |
| ★A | Promotion of enterprise, innovation and increased productivity and associated running costs | | | | | | | | | |
| 136,203 | 473,219 | 139,109 | 748,531 | 527,158 | 221,373 | 70,883 | 3,475 | 113,345 | 604,482 | |
| B | Measures relating to individual industries and related programmes | | | | | | | | | |
| — | 10,699 | — | 10,699 | 1,282 | 9,417 | 137,205 | 114,830 | 40,953 | 52,287 | |
| ★C | Legal and regulatory framework and markets and associated administration costs | | | | | | | | | |
| 237,491 | 179,008 | 37,024 | 453,523 | 59,152 | 394,371 | 7,228 | 3,435 | 371,745 | 315,615 | |
| D | Net expenses relating to coal provisions | | | | | | | | | |
| — | 76 | — | 76 | 10,133 | –10,057 | — | — | –10,090 | –387,575 | |
| E | Developing Post Offices to provide access to official services information and the internet | | | | | | | | | |
| — | 70,000 | — | 70,000 | — | 70,000 | — | — | 75,000 | — | |
| ★F | Net controlled Agencies and suppliers of Departmental Central Services | | | | | | | | | |
| 51,991 | 10,399 | — | 62,390 | 75,440 | –13,050 | 12,615 | — | –16,275 | –15,556 | |
| ★G | ERDF and other Community programmes (including Leader Network Project) | | | | | | | | | |
| — | 227 | 1,500 | 1,727 | 133 | 1,594 | — | — | 4,594 | 1,338 | |
| H | ERDF—Non-discretionary | | | | | | | | | |
| — | 3,500 | — | 3,500 | — | 3,500 | — | — | 3,500 | 11 | |
| I | Other European Community Expenditure | | | | | | | | | |
| — | 1 | — | 1 | — | 1 | — | — | 1 | — | |
| ★J | British Trade International administration costs | | | | | | | | | |
| 32,049 | — | — | 32,049 | — | 32,049 | 3,769 | — | 34,018 | 27,145 | |
| <i>Support for Local Authorities</i> | | | | | | | | | | |
| K | Promotion of Enterprise, innovation and increased productivity | | | | | | | | | |
| — | — | 127,434 | 127,434 | 127,433 | 1 | — | — | 2,089 | — | |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| BNFL Public/Private Partnership—advisors fees and bulk transfer of pension liabilities to the PCSPS in respect of gas and electricity consumer council staff | | | | | | | | | | |
| — | — | — | — | — | — | — | — | 2,100 | 5,169 | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| L | Promotion of enterprise innovation and increased productivity and associated administration costs | | | | | | | | | |
| 8,007 | –5,675 | — | 2,332 | — | 2,332 | — | — | 1,867 | –2,136 | |
| M | Measures relating to individual industries and related programmes | | | | | | | | | |
| — | 19 | 81,790 | 81,809 | — | 81,809 | — | — | 96,253 | 106,475 | |
| N | Legal and regulatory framework and markets and associated administration costs | | | | | | | | | |
| 16,615 | 6,605 | — | 23,220 | — | 23,220 | — | — | 51,345 | 89,815 | |
| O | Expenses relating to nuclear provisions | | | | | | | | | |
| — | –430,967 | 626,999 | 196,032 | — | 196,032 | — | — | 309,131 | 432,182 | |
| P | Net expenses relating to coal provisions | | | | | | | | | |
| — | — | 468,768 | 468,768 | — | 468,768 | — | — | 566,067 | 2,970,459 | |
| Q | Net controlled Agencies and suppliers of departmental central services | | | | | | | | | |
| 9,558 | — | — | 9,558 | — | 9,558 | — | — | 10,948 | 5,647 | |
| R | ERDF and other Community programme—including Leader Network Project | | | | | | | | | |
| — | –11 | — | –11 | — | –11 | — | — | –11 | –29 | |
| S | ERDF—Non-discretionary | | | | | | | | | |
| — | 420 | — | 420 | — | 420 | — | — | 420 | 150 | |
| T | British Coal Corporation external finance | | | | | | | | | |
| — | — | 372 | 372 | — | 372 | — | — | 210 | –2,689 | |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | | |
| U | Promotion of enterprise innovation and increased productivity | | | | | | | | | |
| — | –3,306 | 1,534,214 | 1,530,908 | 746,404 | 784,504 | — | — | 875,643 | 862,876 | |
| V | Legal and regulatory framework and markets | | | | | | | | | |
| — | — | 102,344 | 102,344 | — | 102,344 | — | — | 68,019 | 49,544 | |

Part II: Subhead detail (*Continued*)

| | | | | | | | | | | £'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 | |
| W | Expenses relating to nuclear provisions | — | — | 35,078 | 35,078 | — | — | 35,378 | 28,594 | |
| X | Loans and repayments from Trading Funds | — | — | — | — | — | 551 | — | — | |
| Y | ERDF and other Community programmes (including Leader Network Project) | — | — | 7,944 | –7,944 | — | — | –7,944 | –1,766 | |
| Z | European Community Programme Receipts | — | — | — | 365 | –365 | — | –611 | –379 | |
| AA | Petroleum licensing and royalties | — | — | 23,600 | 23,600 | 23,599 | — | 1 | 567 | |
| AB | Privatisation expenses and refunds of pension adjustments | — | –741 | 2,773 | 2,032 | 3 | 2,029 | 3 | 15,422 | |
| RfR2: Increasing Scientific Excellence in the UK and maximising its contribution to society | | | | | | | | | | |
| | | | 10,271 | 43,104 | 1,827,010 | 1,880,385 | 1 | 1,880,384 | 198 | |
| | | | | | | | | 148 | 1,792,877 | |
| | | | | | | | | | 1,542,731 | |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★A | Swindon Research Councils Pension Scheme | — | 28,450 | — | 28,450 | — | — | 26,970 | 25,620 | |
| ★B | The Royal Society | — | — | 28,745 | 28,745 | — | — | 26,045 | 24,622 | |
| ★C | The Royal Academy of Engineering | — | — | 4,770 | 4,770 | — | — | 4,270 | 4,025 | |
| ★D | Nuclear Fusion | — | 14,630 | — | 14,630 | — | — | 14,330 | 11,815 | |
| ★E | OST Initiatives | — | — | 3,101 | 3,101 | 1 | 3,100 | — | 8,499 | |
| ★F | Knowledge Transfer | — | — | 30,001 | 30,001 | — | — | 48,282 | 15,750 | |
| ★G | Cambridge/Massachusetts Institute of Technology | — | — | 14,000 | 14,000 | — | — | 14,000 | 1,145 | |
| ★H | Foresight LINK Awards | — | — | 3,000 | 3,000 | — | — | 561 | — | |
| ★I | Administration costs etc relating to the Science and Engineering Base Group | 3,634 | — | — | 3,634 | 3,634 | 63 | 49 | 3,835 | |
| ★J | Administration costs etc relating to the Trans-departmental Science and Technology Group | 6,637 | — | — | 6,637 | 6,637 | 135 | 99 | 7,406 | |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | |
| K | Nuclear Fusion | — | –151 | — | –151 | — | — | –151 | — | |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | | |
| L | Biotechnology and Biological Sciences Research Council | — | — | 241,510 | 241,510 | — | — | 213,874 | 211,991 | |
| M | Economic and Social Research Council | — | — | 82,963 | 82,963 | — | — | 73,647 | 71,800 | |
| N | Engineering and Physical Sciences Research Council | — | — | 468,361 | 468,361 | — | — | 444,023 | 413,552 | |
| O | Medical Research Council | — | — | 371,136 | 371,136 | — | — | 356,248 | 319,651 | |
| P | Natural Environment Research Council | — | — | 201,720 | 201,720 | — | — | 187,671 | 178,850 | |
| Q | Particle Physics and Astronomy Research Council | — | — | 223,026 | 223,026 | — | — | 210,282 | 205,774 | |
| R | Council for the Central Laboratory of the Research Councils | — | — | 9,677 | 9,677 | — | — | 9,181 | 4,075 | |

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 | |
| S | Council for the Central Laboratory of the Research Councils for Diamond Synchrotron | | 20,000 | 20,000 | — | 20,000 | — | — | 12,666 | 1,682 |
| T | Science Research Investment Fund | | 118,937 | 118,937 | — | 118,937 | — | — | 6,063 | — |
| U | Joint Infrastructure Fund | | 6,063 | 6,063 | — | 6,063 | — | — | 125,000 | 40,504 |
| V | Fees payable under the Animals—Scientific Procedures Act 1986 | | 175 | 175 | — | 175 | — | — | 175 | 109 |
| Total | 502,185 | 356,577 | 5,008,015 | 5,866,777 | 1,579,047 | 4,287,730 | 231,898 | 122,442 | 4,435,995 | 6,725,206 |

Part II: Resource to Cash reconciliation

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

Part III: Extra Receipts payable to the Consolidated Fund

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

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

Forecast Operating Cost Statement

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

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Explanation of Accounting Officer Responsibilities

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

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

Analysis of Appropriations in Aid

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

Analysis of Appropriations in Aid (*continued*)

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

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

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

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

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

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

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

Analysis of Consolidated Fund Extra Receipts

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

Cash which may be retained to offset expenditure

| | £000 | | |
|--|---------|-----------|-----------|
| | 2000–01 | 2001–02 | 2002–03 |
| Cash which may be retained by the Department to offset expenditure in the year due to its relationship with income that has or will be appropriated in aid | 722,699 | 2,033,149 | 1,701,340 |

Comparison of provision sought with final provision and forecast outturn.

RfR1: The provision sought for 2002–03 is 6.6% lower than the final net provision and forecast outturn for 2001–02. A breakdown of the total provision for 2002–03 is given in the Expenditure Plan Report Table C1.

RfR2: The provision sought for 2002–03 is 5.7% higher than the final net provision and forecast outturn for 2001–02. A breakdown of the total provision for 2002–03 is given in the Expenditure Plans Report Table C1.

Grants in Aid and International Subscriptions

A number of grants in aid and international subscriptions in excess of £1 million are borne on these Requests for Resources (RfRs).

For RfR1 grants in aid are provided to the Advisory, Conciliation and Arbitration Service (£36,617,000); the National Association of Citizen's Advice Bureaux (£16,876,000); Citizen's Advice Scotland (£2,800,000); the National Consumer Council (£3,200,000); the Gas and Electricity Consumer Council (£12,000,000), Postwatch (£7,010,000); the Design Council (£6,500,000); the Competition Commission (£11,844,000); the Coal Authority (£18,700,000); Regional Development Agencies following the recent Machinery of Government Changes (£1,291,079,000); and the United Kingdom Atomic Energy Authority (£35,078,000).

For RfR2 grants in aid are provided to the Biotechnology and Biological Sciences Research Council (£241,510,000), the Economic and Social Research Council (£82,963,000), the Engineering and Physical Sciences Research Council (£468,361,000), the Medical Research Council (£371,136,000), the Natural Environment Research Council (£201,720,000), the Particle Physics and Astronomy Research Council (£223,026,000), and the Council for the Central Laboratory of the Research Councils (£9,677,000).

For RfR1 relevant international subscriptions are the European Space Agency; the World Trade Organisation; the International Telecommunications Union; the Universal Postal Union; the International Atomic Energy Agency; and the Organisation for the Prohibition of Chemical Weapons.

For RfR2 relevant international subscriptions are paid to the Institute Laue-Langevin and European Synchrotron Radiation Facility, (by EPSRC), International Agency for Research on Cancer, Human Frontier Science Programme, European Molecular Laboratory (by MRC); European Organisation for Nuclear Research, European Incoherent Scatter Facility, European Space Agency and Anglo Australian Telescope (by PPARC), and European Science Foundation (by EPSRC, MRC and PPARC).

Expenditure resting on the sole authority of the Appropriation Act

The following sub-heads contain provision sought under the sole authority of Part I of the Estimates and of the confirming Appropriation Act.

| | |
|--|-------------|
| RfR1: Function C Subhead 2 Trade Policy and Non-Proliferation: current expenditure. BNFL Public Private Partnership—advisers' fees ■ | £7,553,000 |
| RfR1: Function C Subhead 4 Trade Policy and Non-Proliferation: international subscriptions ■ | £17,766,000 |
| RfR1: Function W Subhead 3 Grant-in-Aid to SITPRO ■ | £700,000 |
| RfR1: Function AB Subhead 2 Expenses incurred in connection with privatisation of the nuclear power, electricity and coal industries ■ | £1,657,000 |

Departmental Expenditure Limits and Administrative Cost Limits

| 2002-03 Administration Costs Limits | £000s | | |
|--|--------------------|----------|--|
| | Gross provision | Income | Total administration costs limit |
| Gross administration costs limits | 416,014 | – 10,310 | 405,704 |
| Net administration costs limits | 67,521 | – 67,521 | — |

Memorandum item: reconciliation with net admin costs

Add to above

| | |
|---|----------|
| Net admin costs in non-cash AME | 34,180 |
| Admin costs treated as resource in Estimates but as capital in Budgets (under Stage 1 of RAB) | — |
| Other income not netted off gross administration cost limits | – 32,699 |

gives:

| | |
|------------------------------|---------|
| Total net admin costs | 407,185 |
|------------------------------|---------|

of which:

| | |
|---|---------|
| Voted in OCS | 407,185 |
| Non-voted administration departmental unallocated provision | — |

| 2002–03 Departmental Expenditure Limits | £000s | | |
|---|-----------|-----------|-----------|
| | Voted | Non-Voted | Total |
| Resource DEL | 1,072,200 | 2,463,083 | 3,535,383 |
| Capital DEL | – 224,395 | 1,046,031 | 821,636 |
| Total DEL | 847,905 | 3,509,114 | 4,357,019 |

- 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.

British Trade International

Introduction

1. This Estimate covers programme expenditure for the purpose of trade development and promotion and inward investment, including grants to the Regional Development Agencies (RDAs). The work of British Trade International is reported in its own Expenditure Plans Report, as well as the Departmental Reports of the Department of Trade and Industry, Cm 5416 and the Foreign and Commonwealth Office, Cm 5413.
2. British Trade International is a joint operation of the Foreign and Commonwealth Office and the Department of Trade and Industry. The administration costs relating to this programme expenditure in the two departments is reflected in the Main Estimates of those departments.
3. An analysis of appropriations in aid of this Request for Resources and related income for 2002–03 is included in this Main Estimate and shows comparison with the two prior years.
4. Symbols are explained in the Introduction to this booklet.

Part I

RfR1: Enhanced competitiveness of companies in the UK through overseas sales and investment; and a continuing high level of quality foreign direct investment. £
92,209,000

Total net resource requirement 92,209,000

Net cash requirement **92,379,000**

Amounts required in the year ending 31 March 2003 for expenditure by British Trade International on:

RfR1: Enhanced competitiveness of companies in the UK through overseas sales and investment; and a continuing high level of quality foreign direct investment

trade development and promotion and inward investment, including grants to the Regional Development Agencies (RDAs), associated capital and other related expenditure and associated non-cash items.

British Trade International will account for this Estimate.

| | Net Total £ | Allocated in Vote on Account £ | Balance to Complete £ |
|----------------------------|----------------|--------------------------------------|-----------------------------|
| RfR1 | 92,209,000 | 38,787,000 | 53,422,000 |
| Total Resource Requirement | 92,209,000 | 38,787,000 | 53,422,000 |
| Net cash requirement | 92,379,000 | 39,097,000 | 53,282,000 |

Part II: Subhead detail

£'000

| Resources | | | | | Capital | | | | | |
|---|---|---------------|---------------|---------------|--------------|---------------|--------------------|--------------------|---------------------|---------------|
| | | | | | 2002–03 | 2002–03 | | 2001–02 | 2000–01 | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| Admin | Other current | Grants | Gross Total | AinA | Net Total | Capital | Non-operating AinA | Net Total Resource | Net Total Resources | |
| RfR 01: Enhanced competitiveness of companies in the UK through overseas sales and investment and a continuing high level of quality foreign and direct investment | | | | | | | | | | |
| | 81,363 | 12,930 | 94,293 | 2,084 | 92,209 | 248 | — | 88,527 | 92,742 | |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE LIMITS (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| ★A | Trade development and promotion and inward investment ■ | | | | | | | | | |
| | — | 81,285 | 12,930 | 94,215 | 2,084 | 92,131 | 248 | — | 88,866 | 93,094 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Non cash items</i> | | | | | | | | | | |
| B | Trade development and promotion and inward investment | | | | | | | | | |
| | 78 | — | 78 | — | 78 | — | — | — | —339 | —352 |
| Total | — | 81,363 | 12,930 | 94,293 | 2,084 | 92,209 | 248 | — | 88,527 | 92,742 |

Part II: Resource to Cash reconciliation

£'000

| | 2002–03 | 2001–02 | 2000–01 |
|---|---------------|---------------|---------------|
| Net Total Resources | 92,209 | 88,527 | 92,742 |
| Voted Capital Items | | | |
| Capital | 248 | 248 | 561 |
| Less Non-operating AinA | — | — | — |
| | 248 | 248 | 561 |
| Accruals to cash adjustment | | | |
| Cost of capital charges | 139 | 499 | 373 |
| Depreciation | –217 | –160 | –21 |
| New provisions and adjustments | — | — | — |
| Other non-cash items | — | — | — |
| Increase (+)/Decrease (–) in stock | — | — | — |
| Increase (+)/Decrease (–) in debtors | — | — | — |
| Increase (–)/Decrease (+) in creditors | — | — | –139 |
| Use of provisions | — | — | — |
| Total accruals to cash adjustments | –78 | 339 | 213 |
| Excess cash to be CFERd | — | — | — |
| Net Cash Required | 92,379 | 89,114 | 93,516 |

Part III: Extra Receipts payable to the Consolidated Fund

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

Forecast Operating Cost Statement

| | 2002–03 provision | 2001–02 provision | 2000–01 Outturn | £000 |
|---|----------------------|----------------------|--------------------|---------------|
| Net administration costs: | | | | |
| Request for Resources 1 | 92,209 | 88,527 | 92,742 | |
| Total net programme costs | 92,209 | | | 92,742 |
| NET OPERATING COST | 92,209 | 88,527 | | 92,742 |
| not for publication: cross-check total of above <i>of which:</i> | | | | |
| NET RESOURCE OUTTURN | 92,209 | 88,527 | | 92,742 |
| CFERs | | | | |
| Non-Voted expenditure | — | — | | — |
| RESOURCE BUDGET OUTTURN⁽¹⁾ | 92,209 | 88,527 | | 92,790 |

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

Notes to the Main Estimate**Reconciliation of resource expenditure between Estimates, accounts and budgets**

| | 2002–03 provision | 2001–02 provision | 2000–01 outturn | £000 |
|---|----------------------|----------------------|--------------------|------|
| Net Resource Outturn (Estimates) | 92,209 | 88,527 | 92,742 | |
| <i>Adjustments for:</i> | | | | |
| Net Operating Costs (Accounts) | 92,209 | 88,527 | 92,742 | |
| <i>Adjustments for:</i> | | | | |
| Full resource consumption of non-departmental public bodies | | 10 | 48 | |
| Resource Budget Outturn (Budget) | 92,209 | 88,537 | 92,790 | |
| <i>of which:</i> | | | | |
| Departmental Expenditure Limit (DEL) | 92,131 | 88,866 | 93,094 | |
| Spending in Employment Opportunities Fund (EOF) | | | | |
| DEL | | | | |
| Annually Managed Expenditure (AME) | 78 | – 329 | – 304 | |

Reconciliation of capital expenditure between Estimates and Budgets

| | 2002–03 provision | 2001–02 provision | 2000–01 outturn | £000 |
|--|----------------------|----------------------|--------------------|------|
| Net Voted Capital Outturn (Estimates) | 248 | 248 | 561 | |
| Capital Budget Outturn | 248 | 248 | 561 | |
| <i>of which:</i> | | | | |
| Departmental Expenditure Limits (DEL) | 248 | 248 | 561 | |

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Group Chief Executive of British Trade International, Sir David Wright, as Accounting Officer of British Trade International with responsibility for preparing British Trade International's Estimate for programme expenditure.

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

Analysis of Appropriations in Aid

| | 2002–03 provision | | 2001–02 provision | | 2000–01 outturn | |
|---|----------------------|-----------------------|----------------------|-----------------------|--------------------|-----------------------|
| | Operating AinA | Non-operating AinA | Operating AinA | Non-operating AinA | Operating AinA | Non-operating AinA |
| RfR1: Enhanced competitiveness of companies in the UK through overseas sales and investment and a continuing high level of quality foreign direct investment | | | | | | |
| Trade development and promotion and inward investment: | 2,084 | — | 1,147 | — | 2,435 | — |
| Total AinA | *2,084 | — | 1,147 | — | 2,435 | — |

* Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts from trade promotion and development activities.

| 2002–03 Departmental Expenditure Limits | Voted | Non-Voted | £000 Total |
|---|---------------|-----------|---------------|
| Resource DEL | 92,131 | — | 92,131 |
| Capital DEL | 248 | — | 248 |
| Total DEL | 92,379 | — | 92,379 |

- 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

RfR1

The provision sought for 2002–03 is 17% higher than the final net provision and forecast outturn for 2001–02.

Cash which may be retained to offset expenditure

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

| 2002-03 £000 provision | 2001-02 £000 provision | 2000-01 £000 outturn |
|------------------------------|------------------------------|----------------------------|
| 2,084 | 1,147 | 2,435 |

Department of Trade and Industry United Kingdom Atomic Energy Authority Superannuation Schemes

Introduction

1. This Estimate covers the payments of pensions etc to retired members or their dependants, transfer values for members transferring to other schemes and repayments of contributions under the UKAEA's superannuation schemes. The Schemes, which are the Principal Non-Industrial Superannuation Scheme (PNISS), the Combined Pension Scheme of UKAEA and the Protected Persons Superannuation Scheme (PPSS), cover employees of the UKAEA, National Radiological Protection Board and British Nuclear Fuels plc together with some employees of Nycomed Amersham and some employees of the Engineering and Physical Sciences Research Council, the Particle Physics and Astronomy Research Council and the Council for the Central Laboratory of the Research Councils who were formerly employed by the Science and Engineering Research Council and former UKAEA employees who transferred to the Ministry of Defence (Atomic Weapons Establishment (AWE)).
2. Further details of the expenditure and income contained in this Estimate can be found in "Trade and Industry, the Government's Expenditure Plans 2002–03".
3. The income consists of actual receipts and notional interest which is credited each year at rates agreed with the Government actuary. Income from contributions under the scheme is appropriated in aid.
4. The provision sought for 2002–03 is 2 per cent higher than the final net provision and forecast outturn for 2001–02 of £133.5 million. A breakdown of the forecast outturn for 2001–02 by individual function is given in the Expenditure Plans.
5. Assumptions for 2002–03 compared to current estimates for 2001–02 are:

| | 2002–03 | | | 2001–02 | | |
|------------|---------|---------------------------|--------|---------|---------------------------|--------|
| | Number | Average Pension Annual | Weekly | Number | Average Pension Annual | Weekly |
| Pensioners | 17,507 | 7,384 | 142 | 16,805 | 6,960 | 133.85 |
| Dependants | 6,899 | 3,081 | 59.25 | 6,468 | 2,904 | 55.85 |

6. Associated administrative costs are borne by the UKAEA who recover the appropriate proportion from the other participating employers.
7. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR1: Department of Trade and Industry Effective Management of United Kingdom Atomic Energy Authority Superannuation Schemes 136,524,000

Total net resource requirement 136,524,000

Net cash requirement 136,500,000

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

RfR1: Department of Trade and Industry Effective Management of United Kingdom Atomic Energy Authority Superannuation Schemes

Payment of pensions etc to members of the United Kingdom Atomic Energy Authority's superannuation schemes and other related expenditure.

The **Department of Trade and Industry** will account for this Estimate.

| | Net Total £ | Allocated in Vote on Account £ | Balance to Complete £ |
|--------------------------------|----------------|--------------------------------------|-----------------------------|
| RfR1 | 136,524,000 | 60,086,000 | 76,438,000 |
| Total net resource requirement | 136,524,000 | 60,086,000 | 76,438,000 |
| Net cash requirement | 136,500,000 | 60,075,000 | 76,425,000 |

Part II: Subhead detail

£000

| Resources | | | | | | Capital | 2002–03 | 2001–02 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: Department of Trade and Industry effective management of UKAEA Superannuation Schemes | | | | | | | | | | |
| — | — | 153,624 | 153,624 | 17,100 | 136,524 | — | — | 133,525 | 146,542 | |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| A Payment of pension transfer values and repayment of contributions | | | | | | | | | | |
| — | — | 153,624 | 153,624 | 17,100 | 136,524 | — | — | 133,525 | 146,542 | |
| Total | — | — | 153,624 | 153,624 | 17,100 | 136,524 | — | — | 133,525 | 146,542 |

Part II: Resource to Cash reconciliation

£000

| | 2002–03 | 2001–02 | 2000–01 |
|---|----------------|----------------|----------------|
| Net Total Resources | 136,524 | 133,525 | 146,542 |
| Voted Capital Items | | | |
| Capital | — | — | — |
| Less Non-operating A-in-A | — | — | — |
| Accruals to cash adjustment | | | |
| Cost of capital charges | — | — | — |
| Depreciation | — | — | — |
| New provisions and adjustments to previous provisions | — | — | — |
| Other non-cash items | –24 | –24 | — |
| Increase (+)/Decrease (–) in stock | — | — | — |
| Increase (+)/Decrease (–) in debtors | — | — | — |
| Increase (–)/Decrease (+) in creditors | — | — | — |
| Use of provisions | — | — | — |
| Total accruals to cash adjustments | –24 | –24 | — |
| Excess cash to be CFERd | — | — | — |
| Net Cash Requirement | 136,500 | 133,501 | 146,542 |