

# Department for Work and Pensions

## Introduction

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

Amount £

### Changes in resources

#### **RfR 1: Ensuring the best start for all children and ending child poverty in 20 years.**

##### **Increases:**

##### Other Increases

1	Administration Section A A transfer from RfR5 due to the redistribution of the budget following the sale of the Ranmoor Hall accommodation.	38,000
2	Administration Section A Transfer from RfR2 to align the Independent Case Examiner staff budget.	77,000

##### **Decreases:**

##### Other Decreases

1	Administration Section A Transfer to RfR2 to align the Independent Case Examiner non-staff budget.	-100,000
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**Total change in resources for RfR1** **15,000**

#### **RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need.**

##### **Increases:**

##### Transfers from Non-Voted Spending

1	Other Current Section B A draw down from the Housing Benefit Reform Fund for additional Employment Programme expenditure in Jobcentre Plus.	20,000,000
2	Other Current Section F A draw down from the Housing Benefit Reform Fund for additional expenditure in The Rent Service.	4,200,000
3	Grants Section K A draw down from the Housing Benefit Reform Fund for additional expenditure in Housing Benefit Grants.	37,250,000

4	Other Current Section A A draw down of Employment Development Skills Fund for additional expenditure in Jobcentre Plus.	40,000,000
 <u>Transfers from Other Government Departments</u>		
1	Administration Section C Transfer of HSE Rail Safety receipts from Office of the Rail Regulator.	7,591,000
2	Administration Section C Transfer of the Engineering Inspectorate from DTI to HSE.	309,000
 <u>Other Increases</u>		
1	Administration Section A Transfer from RfR5 in respect of staff and non-staff transferred to CHAD.	257,000
2	Administration Section A Transfer from RfR5 in respect of CEPR subscription to Work,Welfare & Equality Group.	16,000
3	Administration Section A A transfer from RfR5 due to the redistribution of the budget following the sale of the Ranmoor Hall accommodation.	465,000
4	Administration Section A Transfer from RfR5 to increase expenditure in Work,Welfare & Equality Group.	125,000
5	Administration Section A Transfer from RfR5 to Jobcentre Plus in respect of replacement of Legal Services contract.	1,500,000
6	Administration Section A Transfer from RfR5 to Work, Welfare and Equality Group in respect of Occupational Psychologists Division.	871,000
7	Administration Section A Transfer from RfR5 to Work, Welfare and Equality Group in respect of Research and Evaluation budget.	1,434,000
8	Administration Section A Transfer from RfR3 to Jobcentre Plus in respect of implementation of Civil Partnerships.	1,422,000
9	Administration Section A Transfer from RfR5 to Jobcentre Plus in respect of Special Payments.	800,000

10	Administration Section A Transfer from RfR5 to Work, Welfare and Equality Group in respect of Fraud Error Strategy.	228,000
11	Administration Section A Transfer from RfR1 to align the Independent Case Examiner non-staff budget.	100,000
12	Administration Section A Transfer from RfR5 to Work, Welfare and Equality Group in respect of Family and Childrens Study Team and Research Budget.	812,000
13	Other Current Section B Transfer from RfR5 to Jobcentre Plus in respect of New Deal Funding.	1,890,000
14	Grants Section B Funding to Jobcentre Plus in respect of Invest to Save Round 8 Choices & Well Being Project.	78,000

**Decreases:**Transfers to Other Government Departments

1	Administration Section C Transfer of HSE Rail Safety to Office of the Rail Regulator.	-12,407,000
2	Other Current Section C Transfer of HSE Rail Safety to Office of the Rail Regulator.	-1,594,000

Other decreases

1	Administration Section A Transfer of recruitment work from Jobcentre Plus to RfR5 (HR).	-1,348,000
2	Administration Section A Transfer to RfR5 from Work, Welfare & Equality Group to increase expenditure in IFD.	-56,000
3	Administration Section A Transfer to RfR5 from Work, Welfare & Equality Group to IFD in respect of MIDAS.	-147,000
4	Administration Section A Transfer to RfR5 from Jobcentre Plus in respect of recovery of Social Fund Funeral Payments.	-425,000
5	Administration Section A Transfer to RfR5 from Jobcentre Plus to IFD in respect of MIDAS.	-9,926,000

6	Administration Section A Transfer from Jobcentre Plus to increase expenditure in RfR5 (IFD).	-2,700,000
7	Administration Section A Transfer to RfR5 from Jobcentre Plus to Group Finance Directorate in respect of Contracts Investigation Unit.	-886,000
8	Administration Section A Transfer to RfR5 from Work, Welfare & Equality Group for delivery of PINS, TFT and Generic training.	-600,000
9	Administration Section A Transfer to RfR1 to align the Independent Case Examiner staff budget.	-77,000

**Neutral Changes:**Changes in spending offset by changes in income

1	Administration £ 3,916,000 Section A An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure.	-
2	Other Current £ 80,000 Section A A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure.	-
3	Grants £ 10,930,000 Section A An increase in forecast Appropriations in Aid leading to an equivalent increase in Grant expenditure.	-
4	Other Current £ 316,000 Section B A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure.	-
<b>Total change in resources for RfR2</b>		<b>89,182,000</b>

**RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners.****Increases:**Other Increases

1	Administration Section A Transfer from RfR5 in respect of Pensions Analysis Directorate.	587,000
2	Administration Section A A transfer from RfR5 due to the redistribution of the budget following the sale of the Ranmoor Hall accommodation.	22,000

3	Annually Managed Expenditure Section B Increase to the Financial Assistance Scheme Provision (Non-cash).	715,000,000
4	Non-budget Section F Revised forecast of expenditure on The Pensions Advisory Service.	2,593,000
5	Non-budget Section F Revised forecast of expenditure on the Pensions Ombudsman.	708,000

**Decreases:**Other Decreases

1	Administration Section A Transfer to RfR5 in respect of MIDAS.	-150,000
2	Administration Section A Transfer to RfR5 in respect of expenditure for The Strategy Directorate.	-88,000
3	Administration Section A	-1,422,000
4	Other Current Section A A revised estimate of Appropriations in Aid for The Pensions Advisory Service leading to an overall decrease in Section A Other Current, which is offset by an increase in non-voted spending.	-2,593,000
5	Other Current Section A A revised estimate of Appropriations in Aid for the Pensions Ombudsman leading to an overall decrease in Section A Other Current, which is offset by an increase in non-voted spending.	-708,000
6	Other Current Section A A revised calculation of the amount due from the National Insurance Fund leading to an increase in Appropriations in Aid and an equivalent increase in non-voted DEL.	-28,259,000

**Neutral Changes:**Changes in spending offset by changes in income

1	Administration £ 355,000 Section A A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Administration expenditure.	-
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2	Other Current £ 2,031,000 Section A An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure.	-
<b>Total change in resources for RfR3</b>		<b>685,690,000</b>

**RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society.**

**Increases:**

Other Increases

1	Administration Section A A transfer from RfR5 due to the redistribution of the budget following the sale of the Ranmoor Hall accommodation.	12,000
2	Non-budget Section H Revised forecast of expenditure on Disability Rights Commission.	800,000

**Decreases:**

Other Decreases

1	Other Current Section A A revised estimate of Appropriations in Aid for The Disability Rights Commission leading to an overall decrease in Section A Other Current, which is offset by an increase in non-voted spending.	-800,000
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**Neutral Changes:**

Changes in spending offset by changes in income

1	Administration £ 145,000 Section A An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure.	-
<b>Total change in resources for RfR4</b>		<b>12,000</b>

**RfR 5: Corporate contracts and support services.**

**Increases:**

Transfers from Other Government Departments

1	Administration Section A Transfer from The Cabinet Office for funding of Parliamentary Counsel.	371,000
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Other Increases

1	Administration Section A Transfer of recruitment work from Jobcentre Plus to RfR5 (HR).	1,348,000
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2	Administration Section A Transfer from RfR2 Work, Welfare & Equality Group to increase expenditure in IFD.	56,000
3	Administration Section A Transfer from RfR2 Work, Welfare & Equality Group to IFD in respect of MIDAS.	147,000
4	Administration Section A Transfer from RfR2 Jobcentre Plus in respect of recovery of Social Fund Funeral Payments.	425,000
5	Administration Section A Transfer from RfR2 Jobcentre Plus to IFD in respect of MIDAS.	9,926,000
6	Administration Section A Transfer from RfR3 in respect of MIDAS.	150,000
7	Administration Section A Transfer from RfR2 Jobcentre Plus to increase expenditure in RfR5 (IFD).	2,700,000
8	Administration Section A Transfer from RfR3 in respect of expenditure for The Strategy Division.	88,000
9	Administration Section A Transfer from RfR2 Jobcentre Plus to Group Finance in respect of Contracts Investigation Unit.	886,000
10	Administration Section A Transfer from RfR2 from Work,Welfare & Equality Group for delivery of PINS, TFT and Generic training.	600,000

**Decreases:**Other Decreases

1	Administration Section A Transfer to RfR2 in respect of staff and non-staff transferred to CHAD.	-257,000
2	Administration Section A Transfer to RfR2 in respect of CEPR subscription to Work,Welfare & Equality Group.	-16,000
3	Administration Section A Transfer to RfR3 in respect of Pensions Analysis Directorate	-587,000
4	Administration Section A Transfers to RfR1,RfR2,RfR3 and RfR4 due to the redistribution of the budget following the sale of Ranmoor Hall accommodation.	-537,000

5	Administration Section A Transfer to RfR2 to increase expenditure in Work, Welfare & Equality Group.	-125,000
6	Administration Section A Transfer to RfR2 to Jobcentre Plus in respect of replacement of Legal Services contract.	-1,500,000
7	Administration Section A Transfer to RfR2 to Work, Welfare and Equality Group in respect of Occupational Psychologists Division.	-871,000
8	Administration Section A Transfer to RfR2 to Work, Welfare and Equality Group in respect of Research and Evaluation budget.	-1,434,000
9	Administration Section A Transfer to RfR2 to Jobcentre Plus in respect of Special Payments.	-800,000
10	Administration Section A Transfer to RfR2 to Work, Welfare and Equality Group in respect of Fraud Error Strategy.	-228,000
11	Administration Section A Transfer to RfR2 to Work, Welfare and Equality Group in respect of Family and Childrens Study Team and Research Budget.	-812,000
12	Other Current Section A Transfer to RfR2 to Jobcentre Plus in respect of New Deal Funding.	-1,890,000

**Neutral Changes:**Changes in spending offset by changes in income

1	Administration £ 120,000 Section A An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure.	-
2	Other Current £ 178,000 Section A An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure.	-
<b>Total change in resources for RfR5</b>		<b>7,640,000</b>

Changes in capital**Decrease**

1	Capital Section C Transfer from RfR2 of Rail Safety from HSE to Office of the Rail Regulator.	-16,000
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**Neutral Changes**

1	Capital £ 673,000 Sections A and F A transfer of capital from the Work, Welfare & Equality Client Group to The Rent Service.	-
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Changes in spending offset by changes in income

1	Capital £ 16,744,000 Section A A decrease in forecast Non-operating Appropriations in Aid leading to an equivalent decrease in Capital expenditure.	-
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**Total change in capital for Estimate                    -16,000**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £517,523,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Ensuring the best start for all children and ending child poverty in 20 years.</b>	<b>15,000</b>
<b>RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need.</b>	† <b>89,182,000</b>
<b>RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners.</b>	<b>685,690,000</b>
<b>RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society.</b>	<b>12,000</b>
<b>RfR 5: Corporate contracts and support services.</b>	<b>7,640,000</b>
Total additional net resource requirement	782,539,000
<b>Additional net cash requirement</b>	† <b>517,523,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department for Work and Pensions on:

**RfR 1: Ensuring the best start for all children and ending child poverty in 20 years.**

The administration of the child support system; and associated non-cash items.

**RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need.**

The administration costs and benefit payments of Severe Disablement Allowance; pensions gratuities and sundry allowances for disablement and specified deaths arising from industrial causes; Income Support for the under 60's; Jobseeker's Allowance (contribution-based); Jobseeker's Allowance (income based); Analogous Industrial Injuries Scheme; earnings top up pilot; job grant; back to work bonus; compensation payments to the National Insurance Fund in respect of Statutory Sick and Statutory Maternity Pay; the provision of training and assessment programmes for adults; the promotion of enterprise and the encouragement of self employment; help for unemployed people and disability rights. Measures to help people, particularly those on welfare and at a disadvantage in the labour market, into work; National Employment panel; the administration of, and where appropriate the payment of allowances to people participating in, the Welfare to Work programme, the Job Transition service and other employment programmes, pilot programmes and new measures to help people into work; supported employment; a Grant in Aid and the provision of a temporary loan facility to Remploy Ltd; assistance and advice on employment service and labour market issues to international organisations; research; publicity and associated non-cash items. Development of the Employment Support Allowance. Subsidies to housing, billing, levying and local authorities towards the costs incurred in administering the Housing Benefit and/or Council Tax Benefit schemes; rent rebate; rent allowance; Council Tax Benefit; payments in respect of anti-fraud and similar administrative measures; discretionary housing payments; sums payable for incentive payments in respect of Housing Benefit under occupation schemes; sums payable to third party providers of services to local authorities; compensation for sufferers, or their dependants, of certain dust related diseases; The Rent Service Agency; the Health and Safety Commission (HSC); the Health and Safety Executive (HSE); the Health and Safety Laboratory (HSL); grants to further health and safety in the workplace; the administration costs of the Work Welfare and Equality Client Group; payments for education; training and employment projects assisted by the European Union and refunds to the European Union,

the UK subscription to the International Labour Organisation, other international educational programmes; payments in respect of Local Area Agreements; measures to promote financial inclusion and associated non-cash items.

## Part I (*continued*)

### **RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners.**

The administration costs and benefit payments of non-contributory retirement pensions; Christmas Bonus payments to pensioners; Age-related payments 2005; One-off 70+ payment to Pensioners; Income Support for the elderly; Pension Credit; payments made to the BBC in respect of over 75's free TV licence scheme; expenditure to assist people make plans for their retirement; research into pensions; Private Pensions Industry regulatory work; Grant in Aid for the administration costs of Better Government for Older People; expenditure in respect of the Pensions Regulator; the Financial Assistance Scheme; Grant in Aid to the Centre for Policy on Ageing; Grant in Aid to the Pensions Advisory Service; Grant in Aid to the Pension Protection Fund; Grant in Aid to the Pensions Regulator; Grant in Aid to the Office of the Pensions Ombudsman; Grant in Aid to the Pension Protection Fund Ombudsman; sums payable to fund payments and loans made by the Social Fund; the administration of pilot programmes; programmes and new measures to help improve independence and social inclusion of older people; grants to voluntary bodies and local authorities towards provision for the needs of older people and associated non-cash items.

### **RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society.**

The administration costs and benefit payments of Attendance Allowance; Disability Living Allowance; Disability Working Allowance; Carer's Allowance; Vaccine Damage; Grants in Aid to the Disability Rights Commission, Motability, Independent Living Fund and associated non-cash items.

### **RfR 5: Corporate contracts and support services.**

Corporate administration; measures to promote financial inclusion; collecting debt on behalf of other public sector bodies and private sector bodies; and associated non-cash items.

The **Department for Work and Pensions** will account for this Estimate.

† The function of the administration of the Engineering Inspectorate was transferred from the Department of Trade and Industry on 2 October. Within the overall changes sought in this Estimate the specific changes related to this transfer are:

- a) for RfR2 the net resource requirement is increased by £ 309,000; and
- b) the net cash requirement is increased by £ 309,000.

## Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Ensuring the best start for all children and ending child poverty in 20 years.</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR 1 - A Administration	407,897	15	-	15	407,912
<b>Total RfR 1</b>		<b>15</b>	<b>-</b>	<b>15</b>	
<b>RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need.</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR 2 - A Administration	1,788,767	46,631	14,450	32,181	1,820,948
RfR 2 - B Employment Programmes	962,049	21,652	-	21,652	983,701
RfR 2 - C Health and Safety Executive	233,265	-13,692	-7,591	-6,101	227,164
RfR 2 - F The Rent Service Executive Agency	33,902	4,200	-	4,200	38,102
<i>Support for Local Authorities</i>					
RfR 2 - K Housing benefit and council tax benefit administration grants	366,953	37,250	-	37,250	404,203
<b>Total RfR 2</b>		<b>96,041</b>	<b>6,859</b>	<b>89,182</b>	
<b>RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners.</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 3 - A Administration	165,102	625	33,236	-32,611	132,491
<b>Spending in Annually Managed Expenditure (AME)</b>					
<i>Central Government spending</i>					
RfR 3 - B Pension benefits	49,558	715,000	-	715,000	764,558
<b>Non-budget</b>					
RfR 3 - F Pensions Grants in Aid	26,401	3,301	-	3,301	29,702
<b>Total RfR 3</b>		<b>718,926</b>	<b>33,236</b>	<b>685,690</b>	
<b>RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society.</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR 4 - A Administration	219,049	157	945	-788	218,261
<b>Spending in Annually Managed Expenditure (AME)</b>					
<i>Central Government spending</i>					
<b>Non-budget</b>					
RfR 4 - H Disability Rights Commission (Grant in Aid)	20,614	800	-	800	21,414
<b>Total RfR 4</b>		<b>957</b>	<b>945</b>	<b>12</b>	

**RfR 5: Corporate contracts and support services.  
Spending in Departmental Expenditure Limits (DEL)**

*Central Government spending*

RfR 5 - A Administration	2,087,522	7,938	298	7,640	2,095,162
<b>Total RfR 5</b>		<b>7,938</b>	<b>298</b>	<b>7,640</b>	
<b>Total Changes to RfRs</b>		<b>823,877</b>	<b>41,338</b>	<b>782,539</b>	

	<b>Present Provision</b>	<b>Change in Provision</b>	<b>£000 New Provision</b>
<b>Capital and Cash</b>			
Total Capital Expenditure	184,484	-16,760	167,724
Non-Operating A in A	20,620	-16,744	3,876
<b>Net cash requirement</b>	<b>63,267,603</b>	<b>517,523</b>	<b>63,785,126</b>

**Part II: Revised subhead detail including additional provision**

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
<b>RfR 1: Ensuring the best start for all children and ending child poverty in 20 years.</b>								
408,110	-	-	408,110	198	407,912	-	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration								
408,110	-	-	408,110	198	407,912	-	-	
<b>RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need.</b>								
2,654,597	1,166,210	32,909,414	36,730,221	1,953,753	34,776,468	64,384	495	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration								
2,375,086	74,895	46,492	2,496,473	675,525	1,820,948	53,005	-	
B Employment Programmes								
-	800,061	183,640	983,701	-	983,701	-	-	
C Health and Safety Executive								
215,191	58,725	-	273,916	46,752	227,164	8,906	475	
D Health and Safety Laboratory								
30,418	5,030	-	35,448	35,448	-	1,800	20	
E Capital Grants								
-	2,549	5,927	8,476	-	8,476	-	-	
F The Rent Service Executive Agency								
33,902	4,200	-	38,102	-	38,102	673	-	
G European Social Fund								
-	-	78,720	78,720	78,720	-	-	-	
H European Social Fund payments in advance of receipts								
-	32,700	380,060	412,760	380,060	32,700	-	-	
<i>Support for Local Authorities</i>								
I Employment Programmes								
-	-	37,047	37,047	-	37,047	-	-	
J Challenge funding and similar administrative measures - Local Authorities								
-	-	109,000	109,000	-	109,000	-	-	
K Housing benefit and council tax benefit administration grants								
-	-	404,203	404,203	-	404,203	-	-	
L Capital grants to Local Authorities								
-	-	2,895	2,895	-	2,895	-	-	
M European Social Fund								
-	-	9,840	9,840	9,840	-	-	-	
N European Social Fund payments in advance of receipts								
-	-	68,880	68,880	68,880	-	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central Government spending</i>								
O Severe Disablement Allowance								
-	745	872,472	873,217	766	872,451	-	-	
P Industrial injury benefits								
-	42,468	784,370	826,838	36,494	790,344	-	-	
Q Income support (under 60 years of age)								

**Part II: Revised subhead detail including additional provision**

	Resources					Capital		£'000
	1	2	3	4	5	6	7	8
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
R	-	141,240	8,003,076	8,144,316	101,054	8,043,262	-	-
S	-	320	1,931,164	1,931,484	437	1,931,047	-	-
T	-	-	519,777	519,777	519,777	-	-	-
U	-	-	35,627	35,627	-	35,627	-	-
V	-	-	85,430	85,430	-	85,430	-	-
	-	3,277	-	3,277	-	3,277	-	-
<i>Support for Local Authorities</i>								
W	-	-	12,854,986	12,854,986	-	12,854,986	-	-
X	-	-	5,124,658	5,124,658	-	5,124,658	-	-
Y	-	-	20,000	20,000	-	20,000	-	-
<b>Non-budget</b>								
Z	-	-	1,351,150	1,351,150	-	1,351,150	-	-
<b>RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners.</b>								
	<b>641,552</b>	<b>6,599</b>	<b>10,892,676</b>	<b>11,540,827</b>	<b>532,757</b>	<b>11,008,070</b>	<b>46,918</b>	<b>-</b>
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A	641,552	7,261	16,435	665,248	532,757	132,491	46,918	-
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central Government spending</i>								
B	-	-5	764,563	764,558	-	764,558	-	-
C	-	-657	7,106,436	7,105,779	-	7,105,779	-	-
D	-	-	482,125	482,125	-	482,125	-	-
<b>Non-budget</b>								
E	-	-	2,493,415	2,493,415	-	2,493,415	-	-
F	-	-	29,702	29,702	-	29,702	-	-
<b>RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society.</b>								
	<b>219,729</b>	<b>34,911</b>	<b>14,733,264</b>	<b>14,987,904</b>	<b>33,400</b>	<b>14,954,504</b>	<b>-</b>	<b>-</b>

**Part II: Revised subhead detail including additional provision**

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration	219,729	-	-	219,729	1,468	218,261	-	-
B Motability administration	-	160	1,800	1,960	160	1,800	-	-
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central Government spending</i>								
C Attendance Allowance	-	2,704	4,122,071	4,124,775	3,631	4,121,144	-	-
D Disability Living Allowance	-	29,547	9,112,241	9,141,788	28,141	9,113,647	-	-
E Carer's Allowance	-	-	1,215,750	1,215,750	-	1,215,750	-	-
F Vaccine Damage Payments	-	-	500	500	-	500	-	-
G Grants to independent bodies	-	2,500	259,488	261,988	-	261,988	-	-
<b>Non-budget</b>								
H Disability Rights Commission (Grant in Aid)	-	-	21,414	21,414	-	21,414	-	-
<b>RfR 5: Corporate contracts and support services.</b>	<b>1,977,360</b>	<b>148,425</b>	<b>-</b>	<b>2,125,785</b>	<b>30,623</b>	<b>2,095,162</b>	<b>56,422</b>	<b>3,381</b>
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration	1,977,360	148,425	-	2,125,785	30,623	2,095,162	56,422	3,381
<b>Total for Estimate:</b>								
<b>5,901,348</b>	<b>1,356,145</b>	<b>58,535,354</b>	<b>65,792,847</b>	<b>2,550,731</b>	<b>63,242,116</b>	<b>167,724</b>	<b>3,876</b>	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net Resource Requirement</b>	<b>62,459,577</b>	<b>782,539</b>	<b>63,242,116</b>
<b>Voted capital items</b>			
Capital	184,484	-16,760	167,724
<i>Less:</i> Non-operating A in A	<u>20,620</u>	<u>-16,744</u>	<u>3,876</u>
<b>Total net voted capital</b>	<b>163,864</b>	<b>-16</b>	<b>163,848</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-57,359	-	-57,359
Depreciation	-154,667	-	-154,667
New provisions and adjustments to previous provisions	-15,777	-715,000	-730,777
Profit/loss on sale of assets	1,325	-	1,325
Prior period adjustments	-	-	-
Other non-cash items	-1,086	-	-1,086
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	842,356	-	842,356
Increase(-)/decrease (+) in creditors	-31,117	450,000	418,883
Use of provisions	<u>60,487</u>	<u>-</u>	<u>60,487</u>
<b>Total accruals to cash adjustments</b>	<b>644,162</b>	<b>-265,000</b>	<b>379,162</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cash Requirement</b>	<b>63,267,603</b>	<b>517,523</b>	<b>63,785,126</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

	£'000
	2006-07 provision
<b>Net Administration Costs</b>	
RfR1	407,912
RfR2	2,574,330
RfR3	639,859
RfR4	219,061
RfR5	1,947,162
<b>Total Net Administration Costs</b>	<b>5,788,324</b>
<b>Net Programme Costs</b>	
RfR1	-
RfR2	32,202,138
RfR3	7,874,796
RfR4	14,735,443
RfR5	148,000
Non-voted	65,542,932
<b>Total Net Programme costs</b>	<b>120,503,309</b>
<b>Total Net Operating Cost</b>	<b>126,291,633</b>
<i>of which:</i>	
<b>Net Resource Requirement</b>	<b>63,242,116</b>
Non-voted expenditure	65,542,932
Consolidated Fund Extra Receipts	-
<b>Resource Budget</b>	<b>126,346,460</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
<b>Net Resource Requirement (Estimates)</b>	<b>63,242,116</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	65,542,932
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-2,493,415
<b>Net Operating Costs (Accounts)</b>	<b>126,291,633</b>
<i>Adjustments to remove:</i>	
capital grants	-14,159
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	1,626
unallocated resource provision	66,450
Other adjustments	910
<b>Resource Budget (Budget)</b>	<b>126,346,460</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	7,757,938
Annually Managed Expenditure (AME)	118,588,522

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
<b>Net Voted Capital (Estimates)</b>	<b>163,848</b>
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	1,325
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	150
capital grants	14,159
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	207,377
<b>Capital Budget (Budget)</b>	<b>386,859</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	179,482
Annually Managed Expenditure (AME)	207,377

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## Notes to the Estimate (*continued*)

### Explanation of Accounting Officer responsibilities

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

<b>Request for Resources 1</b>	Leigh Lewis, Permanent Head of the Department
<b>Request for Resources 2</b>	Leigh Lewis, Permanent Head of the Department
<b>Request for Resources 3</b>	Leigh Lewis, Permanent Head of the Department
<b>Request for Resources 4</b>	Leigh Lewis, Permanent Head of the Department
<b>Request for Resources 5</b>	Leigh Lewis, Permanent Head of the Department

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

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

## Notes to the Estimate (*continued*)

### Analysis of operating appropriations in aid (A in A)

£'000

 2006-07  
 Provision

**RfR 1: Ensuring the best start for all children and ending child poverty in 20 years.**

<b>Administration</b>	<b>198</b>
<i>of which:</i>	
Sale of goods and services	198
<b>Total RfR1</b>	<b>198 †</b>

† Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from staff for private telephone calls; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from the sale of non-capital items; receipts from applicants for services provided by the Child Support Agency and receipts from the repayment of maintenance by non-resident parents, where the parent with care is in receipt of income support, reduced by the child maintenance premium paid directly to the parent with care.

**RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need.**

<b>Administration</b>	<b>80,267</b>
<i>of which:</i>	
Sale of goods and services	80,267
<b>Programme</b>	<b>1,873,486</b>
<i>of which:</i>	
Sale of goods and services	1,120,651
EU income	537,500
CFERs	-
other income (including receipts)	215,335
<b>Total RfR2</b>	<b>1,953,753 †</b>

† Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from the National Insurance Fund for the estimated cost of administering National Insurance benefits; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from staff for private telephone calls; receipts from mortgage lenders; receipts from other departments/organisations in respect of outward secondments; receipts from the sale of non-capital items; receipts from EU twinning funded projects; receipts from match funded projects; the recovery of the cost of administering allowance payments for work based learning for adults in Scotland and Wales; proceeds from crime from Home Office in respect of benefit fraud and organised fraud;

contribution from Scotland and Wales towards Employment Zones; receipts from Local Authorities for services provided to them by Departmental Action Teams, including Neighbourhood Renewal Funds, rent and similar receipts; receipts from outside bodies in respect of partnership working in New Deal for Community areas; recovery from Home Office of the costs of administering the refugee and Asylum Seeker programmes; recovery from the EC of the costs of work on European Employment Services (EURES) and work undertaken on labour market issues in eastern Europe;

receipts from the EU for travel expenses, and subsistence allowances incurred by staff on European Union business; receipts from sponsors of supported placements in the ES; receipts in respect of vending machines; receipts from Working Links, Working Links management fee and dividend; receipts from selling services under the Wider Markets Initiative; receipts from partner organisations in respect of action teams; receipts in respect of LSC ambitions programme; the recovery of excess payments made on Jobcentre Plus employment measures; recoveries from authorities not achieving baseline targets set in respect of anti-fraud measures;

recoveries from authorities not achieving targets set in respect of extended payments; receipts from damages payable to recipients of Statutory Sick Pay; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; payments on return to work after a trade dispute made to people who would normally be excluded from Income Support because they are in full time work; payments by liable relatives; amounts collected through a court order or on a voluntary basis from relatives of income support claimants; receipts from the Child Support Agency of payments of maintenance from absent parents for parents with care who are in receipt of Income Support;

repayment of Jobseeker's Allowance (contribution based) from the National Insurance Fund; receipts in respect of the Health and Safety Commission (HSC) including fees and charges levied by the HSC, receipts for research, administrative services, testing, fee paying enquiries, dissemination of information, royalties, the loan and hire of equipment, seminars, patent rights, conferences and publications (in print and non-print media) 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, receipts from HSC property and land, sponsorship, including contributions from co-sponsors towards the costs of research and surveys carried out by HSC; recoveries by the HSC from the European Union in respect of travelling expenses and subsistence allowances incurred by HSC staff on European Union business; contributions and recoveries from the 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, and repayment of loans

made by the HSC; receipts in respect of the European Fast Stream; receipts from the EC to meet payments to Local Authorities and non-exchequer bodies for education and training and employment projects training assisted by the European Social Fund; receipts from the EU Twinning funded projects; Joint International Unit administration receipts; payments from the Department for Education and Skills; Presidency receipts from the EU; Refunds from Local Authorities of Performance Standard Funding.

**RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners.**

<b>Administration</b>	<b>1,693</b>
<i>of which:</i>	
Sale of goods and services	1,693
<b>Programme</b>	<b>531,064</b>
<i>of which:</i>	
Sale of goods and services	531,064

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<b>Total RfR3</b>	<b>532,757 †</b>
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† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated costs of administering NI benefits, services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts for levy funded bodies; receipts from mortgage lenders; receipts from staff for private telephone calls and receipts via Compensation Recovery Unit in respect of benefits paid in lieu.

**RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society.**

<b>Administration</b>	<b>668</b>
<i>of which:</i>	
Sale of goods and services	668
<b>Programme</b>	<b>32,732</b>
<i>of which:</i>	
Sale of goods and services	-3,362
Other income (including receipts)	36,094
<b>Total RfR4</b>	<b>33,400 †</b>

† Amount that may be applied as appropriations in aid in addition to the net total arising from services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from the European Union for the European year for disabled people 2003; receipts from staff for private telephone calls; receipts via Compensation Recovery Unit in respect of benefits paid in lieu, recoveries of payments from the Department of Social Development (Northern Ireland) towards Motability's car adaptation and administration costs and receipts from Tenth Anniversary Trust towards Motability's car adaptation costs.

**RfR 5: Corporate contracts and support services.**

<b>Administration</b>	<b>30,198</b>
<i>of which:</i>	
Sale of goods and services	30,198
<b>Programme</b>	<b>425</b>
<i>of which:</i>	
Sale of goods and services	410
Interest and dividends	15
<b>Total RfR5</b>	<b>30,623 †</b>

† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated cost of administering NI benefits; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from third parties for uninsured losses; receipts from staff for private telephone calls; recovery of law costs from dependants; receipts from sub-let accommodation; receipts from sale of non-capital items; receipts from the Department for Education and Skills in respect of Modern Apprenticeships; receipts from other departments/organisations in respect of the European Fast Stream; receipts from IT services to other government departments; Early Departures prefunding interest.

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<b>Total Operating A in A</b>	<b>2,550,731</b>
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**Analysis of non - operating appropriations in aid (A in A)**

**RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need.**

<b>Programme</b>	<b>495</b>
<i>of which:</i>	
Sale of assets	495

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<b>Total RfR2</b>	<b>495 †</b>
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† Amount that may be applied as non-operating appropriations in aid arising from: receipts from the sales of obsolete machinery, equipment, official vehicles, furniture and buildings.

**RfR 5: Corporate contracts and support services.**

<b>Administration</b>	<b>1,325</b>
<i>of which:</i>	
Sale of assets	1,325
<b>Programme</b>	<b>2,056</b>
<i>of which:</i>	
Sale of assets	2,056

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<b>Total RfR5</b>	<b>3,381 †</b>
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† Amount that may be applied as non-operating appropriations in aid arising from: receipts from the sales of obsolete machinery, equipment, official vehicles, furniture and fittings.

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<b>Total Non-Operating A in A</b>	<b>3,876</b>
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## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	63,360	-69,090	6,505,703	1,252,235	7,757,938
<i>of which:</i>					
<i>Administration budget*</i>	-4,136	-	5,788,324	38,810	5,827,134
<i>Near-cash in RDEL</i>	63,360	-69,090	6,291,703	1,289,683	7,581,386
Capital**	62	-	179,332	150	179,482
Less Depreciation†	-	-	-154,667	-2,552	-157,219
Total	63,422	-69,090	6,530,368	1,249,833	7,780,201

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

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

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

### Cash which may be retained to offset expenditure

£'000  
2,554,607

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

### Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR3	Better Government for Older People	600

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

<b>RfR/Section</b>	<b>Body</b>	<b>£ '000</b>
RfR 3	The Pension Regulator	25,801
RfR 3	The Pensions Advisory Service	2,593
RfR 3	The Pensions Ombudsman	708
RfR 4	Motability	8,587
RfR 4	Disability Rights Commissioner	21,414
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		59,103