
Department for Communities and Local Government

Introduction

1. The Estimate for 2008-09 consists of two Requests for Resources:

RfR1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions

RfR2: Providing for effective devolved decision making within a national framework

2. This Estimate provides for expenditure by the Department for Communities and Local Government on Housing, Homelessness, Planning, Neighbourhood Renewal, Local and Regional Government, Fire, Civil Resilience, race and faith equalities, community cohesion and related administration costs.

3. The resources requested are used to meet the six Departmental Strategic Objectives, details of which can be found in Chapter 2 of the Communities and Local Government Annual Report 2008, which is published in May 2008. Chapters 3 to 9 of the Departmental Annual Report (DAR) reports on progress made in delivery of previous targets. Chapter 10 details how the resources are managed.

4. The Estimate includes provision for three executive agencies, fifteen executive and five advisory non-departmental public bodies, Ordnance Survey and the administration of nine government offices. Annex B to the DAR 2008 also provides further information relating to strategic objectives and achievements of the agencies and non-departmental public bodies.

5. Further, more detailed information will be provided in tables throughout the DAR.

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

Department for Communities and Local Government

Part I

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Request for Resources 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions†	11,171,462,000
Request for Resources 2: Providing for effective devolved decision making within a national framework	25,171,097,000
Total net resource requirement	36,342,559,000
Net cash requirement	36,364,731,000

Amounts required in the year ending 31 March 2009 for expenditure by the Department for Communities and Local Government on:

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

housing revenue account subsidy; homelessness, rough sleepers and housing reform; payments to the Housing Corporation; the Homes and Communities Agency; payments to the Audit Commission for registered social landlord inspections; disabled facilities grant; capacity building and efficiency improvements; home buying and selling; procurement efficiencies in social housing; payments to local authorities in respect of Area Based Grant; rent and leasehold services; social housing mobility including choice-based local authority lettings; tenant engagement; housing transfers; regional housing boards advice; the Supporting People programme; capital grants to local authorities for housing; Shanghai Expo 2010; housing related sustainable development; payments to the Commission for Architecture and the Built Environment; payments to the Academy for Sustainable Communities; charges by Valuation Offices in respect of Right to Buy; refurbishment and acquisition of gypsy sites; deprived neighbourhoods, including the New Deal for Communities programmes; payments to the Urban Regeneration Agency; payments to the Department for Business Enterprise and Regulatory Reform for Regional Development Agencies and the London Development Agency; Groundwork; initiatives to accelerate the growth areas, including transport schemes and payments to development corporations and other local delivery agencies; Support for the construction of venues and infrastructure related to the Olympic Games; grants and payments for creating and improving parks and public spaces; co-ordinating strategy for dealing with abandoned vehicles; payments that derive from European Structural Funds Regulations; exchange rate losses and other losses relating to European Regional Development Fund (ERDF) projects; Combined Universities of Cornwall; coalfields regeneration; planning; the Planning Inspectorate;

Fire and Rescue services, including the grants paid to Chief Fire Officers' Association and measures to deal with the aftermath of terrorism; purchase of fire radio systems; payments and loans to the Fire Service College (trading fund); payments for provision of services to improve the efficiency and effectiveness of the fire service; Emergency Fire Service Closure costs; fire service pensions; fire service dispute(s); payments to Firebuy; work on improving race, gender and faith equalities; payments to the Community Development Foundation ; Community Cohesion; Community empowerment; mapping data and services; Ordnance Survey trading fund; regional assemblies, payments for the Mersey Basin Campaign; special grants paid under Section 31 of the Local Government Act 2003; minor grants and payments in support of housing, planning, regeneration, liveability, urban design, building regulation, research, development, surveys;

monitoring, statistics, advice and consultancies; initiatives to tackle areas of low demand housing; publicity, promotion and publications; communications; Special Grants Programme support to voluntary bodies; subscriptions and contributions to international organisations; the residual functions of Property Services Agency (PSA); payments and loans in connection with the Queen Elizabeth II Conference Centre trading fund; the administration and operation of the department including the Government Offices; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; housing statistics, special payments; and associated non-cash items.

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

payments to the Valuation Office Agency for rating and valuation services; payments to the Audit Commission for Best Value inspections; revenue support grant and redistributed non-domestic rates to receiving authorities in England; repayments of excess contributions made by local authorities in respect of non-domestic rates in 2007-08 and previous years; preparation for the Greater London Authority and related bodies; Greater London Authority (GLA) general grant; intervention action and capacity building in local authorities; local Public Service Agreement (PSA) performance fund payments; grants paid under section 31 and 36(a) of the Local Government Act 2003; grants to beacon councils; emergency financial assistance to local authorities; payments to bodies specified by the Secretary of State under section 78 of the Local Government Finance Act 1988, as amended, and to the Commission for Local Administration in England; mapping and other costs associated with local government reviews and revisions to administrative and electoral boundaries following Parish and Electoral Commission reviews; grant in aid to the Standards Board for England and to the Valuation Tribunal Service; payments in respect of the capital element of contracts let under the private finance initiative; research, development, surveys, monitoring, statistics, advice and consultancies; publicity, promotion and publications; special payments; subscriptions to the Commonwealth Local Government forum and associated non-cash items.

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

† Part of the provision under subhead B2 in RfR1 is subject to the passage of the Housing and Regeneration Bill, which has passed third reading in the House of Commons and is currently in the House of Lords. The provision sought (£13,000,000) will not be used for the service or for any other purpose until the enabling legislation has been enacted.

£930,000 has been advanced from the Contingencies Fund to provide cash in respect of this new service. A corresponding amount is required to enable repayment to be made to the Fund.

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	Net total	Allocated in Vote on Account	Balance to complete
RfR 1	11,171,462,000	4,689,118,000	6,482,344,000
RfR 2	25,171,097,000	11,303,567,000	13,867,530,000
Total net resource requirement	36,342,559,000	15,992,685,000	20,349,874,000
Net cash requirement	36,364,731,000	16,006,676,000	20,358,055,000

Part II: Subhead detail

										£'000	
2008-09 Provision						2007-08 Provision	2006-07 Outturn				
Resources						Capital Non- operating		Net Total			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	A in A	Resources	Net Total		
1	2	3	4	5	6	7	8	9	Resources		
									10		
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions											
310,016	1,006,867	10,112,823	11,429,706	258,244	11,171,462	64,451	82	11,273,359	9,271,107		
Spending in Departmental Expenditure Limits (DEL)											
<i>Central Government spending</i>											
A	Supporting local government										
-	464	-	464	-	464	-	-	164	4		
B	Improving the supply and quality of housing										
-	85,409	385,116	470,525	300	470,225	-	-	219,755	131,559		
C	Building prosperous communities, promoting regeneration and tackling deprivation										
-	43,105	1,942,571	1,985,676	-	1,985,676	5,000	-	1,678,161	1,624,497		
D	Developing communities that are cohesive, active and resilient to extremism										
-	12,947	25,500	38,447	1,000	37,447	-	-	27,943	21,601		
E	Providing a more efficient, effective and transparent planning system										
-	85,936	-	85,936	-	85,936	8,400	-	69,015	64,509		
F	Ensuring safer communities by providing the framework to prevent and respond to emergencies										
-	129,817	757	130,574	-	130,574	27,127	-	106,928	66,021		
G	Central Administration										
200,730	35,529	-	236,259	19,755	216,504	21,064	-	203,112	174,016		
H	Government Office Administration										
109,286	-	-	109,286	10,000	99,286	2,860	-	122,540	137,774		
I	European Structural Funds- net (expenditure and income relating to old programmes)										
-	-	1	1	-	1	-	-	1	-1		
J	European Structural Funds- income relating to 2007-13 programmes										
-	-	-	-	66,318	-66,318	-	-	-39,009	-		
K	European Structural Funds - Communities and Local Government										
-	2,300	8,001	10,301	-	10,301	-	-	10,103	44,747		
L	Ordnance Survey										
-	39,460	1,320	40,780	26,262	14,518	-	-	15,713	10,538		
M	Queen Elizabeth II Conference Centre Executive Agency										
-	-	117	117	1,409	-1,292	-	82	-1,498	-1,163		

Part II: Subhead detail

										£'000	
2008-09 Provision							2007-08 Provision		2006-07 Outturn		
Resources						Capital Non- operating A in A		Net Total Resources		Net Total Resources	
Admin 1	Other Current 2	Grants 3	Gross Total 4	A in A 5	Net Total 6	Capital 7	Non- operating A in A 8	Net Total Resources 9	Net Total Resources 10		
<i>Local Area Agreements</i>											
-	-	-	-	-	-	-	-	-1,090,548	-422,732		
Support for Local Authorities											
N	Improving the supply and quality of housing										
-	-	2,876,398	2,876,398	133,200	2,743,198	-	-	2,851,803	2,649,301		
O	Building prosperous communities, promoting regeneration and tackling deprivation										
-	-	276,473	276,473	-	276,473	-	-	262,295	322,712		
P	Developing communities that are cohesive, active and resilient to extremism										
-	-	3,970	3,970	-	3,970	-	-	6,000	534		
Q	Providing a more efficient, effective and transparent planning system										
-	-	100,000	100,000	-	100,000	-	-	114,228	127,823		
R	Ensuring safer communities by providing the framework to prevent and respond to emergencies										
-	15,200	62,445	77,645	-	77,645	-	-	71,888	43,848		
S	Area Based Grant										
-	-	631,517	631,517	-	631,517	-	-	-	-		
T	European Structural Funds- net (expenditure and income relating to old programmes)										
-	-	1	1	-	1	-	-	1	-		
U	European Structural Funds- payments to London Development Agency for 2007-13 programme										
-	-	2,976	2,976	-	2,976	-	-	1,751	-		
<i>Local Area Agreements</i>											
-	-	-	-	-	-	-	-	1,850,285	505,608		
Spending in Annually Managed Expenditure (AME)											
Central Government spending											
V	Improving the supply and quality of housing										
-	556,700	-	556,700	-	556,700	-	-	690,063	762,869		
<i>Ensuring safer communities by providing the framework to prevent and respond to emergencies</i>											
-	-	-	-	-	-	-	-	50	633		
Support for Local Authorities											
W	Ensuring safer communities by providing the framework to prevent and respond to emergencies										
-	-	199,843	199,843	-	199,843	-	-	175,854	172,707		

Part II: Subhead detail

										£'000	
2008-09 Provision								2007-08 Provision	2006-07 Outturn		
Resources						Capital Non- operating					
Admin 1	Other Current 2	Grants 3	Gross Total 4	A in A 5	Net Total 6	Capital 7	A in A 8	Net Total Resources 9	Net Total Resources 10		
Non-Budget											
X	Improving the supply and quality of housing										
	-	-	3,532,474	3,532,474	-	3,532,474	-	3,885,916	2,830,142		
Y	European Structural Funds- payments to Regional Development Agencies for 2007-13 programme										
	-	-	63,342	63,342	-	63,342	-	37,259	-		
Z	Area Based Grant										
	-	-	1	1	-	1	-	-	-		
	<i>Ensuring safer communities by providing the framework to prevent and respond to emergencies</i>										
	-	-	-	-	-	-	-	3,586	3,560		
RfR 2: Providing for effective devolved decision making within a national framework											
	-	196,881	24,974,281	25,171,162	65	25,171,097	-	23,814,158	23,725,508		
Spending in Departmental Expenditure Limits (DEL)											
<i>Central Government spending</i>											
A	Valuation Services										
	-	173,590	-	173,590	-	173,590	-	174,450	166,250		
B	Best Value Inspection Subsidies to public corporations & Best Value Intervention costs										
	-	19,924	-	19,924	-	19,924	-	22,910	19,341		
C	Local Government research and publicity, boundary reviews: mapping costs										
	-	3,367	-	3,367	65	3,302	-	3,554	3,665		
	<i>Local governance</i>										
	-	-	-	-	-	-	-	-	3		
<i>Support for Local Authorities</i>											
D	Revenue Support Grants										
	-	-	3,586,446	3,586,446	-	3,586,446	-	3,762,931	3,956,253		
E	Non-Domestic Rates Payments										
	-	-	20,500,000	20,500,000	-	20,500,000	-	18,500,000	17,500,000		
F	London governance										
	-	-	47,806	47,806	-	47,806	-	38,348	37,868		
G	Other grants and payments										
	-	-	357,061	357,061	-	357,061	-	335,459	983,879		

Part II: Subhead detail

£'000

2008-09 Provision						2007-08 Provision	2006-07 Outturn		
Resources						Capital	Non- operating	Net Total	Net Total
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	A in A	Resources	Resources
1	2	3	4	5	6	7	8	9	10
Spending in Annually Managed Expenditure (AME)									
<i>Support for Local Authorities</i>									
H	Non-Domestic Rates outturn adjustments and Local Authority Business Growth Incentive								
-	-	463,000	463,000	-	463,000	-	-	955,599	1,036,245
Non-Budget									
I	Non-Departmental Public Bodies								
-	-	19,968	19,968	-	19,968	-	-	20,907	22,004
Total for Estimate:									
310,016	1,203,748	35,087,104	36,600,868	258,309	36,342,559	64,451	82	35,087,517	32,996,615

Part II: Resource to cash reconciliation

	£'000		
	2008-09 Provision	2007-08 Provision	2006-07 Outturn
Net Resource Requirement	36,342,559	35,087,517	32,996,615
Voted capital items			
Capital	64,451	82,162	27,659
Less Non-operating A-in-A	82	104	156
Total net voted capital	64,369	82,058	27,503
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-8,206	-12,688	15,626
Depreciation	-37,942	-29,494	-24,968
New provisions and adjustments to previous provisions	-4,049	-10,968	-18,457
Profit/loss on sale of assets	-	-	-3,884
Prior period adjustments	-	-	-
Other non-cash items	-	-20	-1,181
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	300,000	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	8,000	13,147	4,388
Total accruals to cash adjustments	-42,197	259,977	-28,476
Excess cash to be CFERd	-	-	-
Net Cash Requirement	36,364,731	35,429,552	32,995,642

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					
	2008-09		2007-08		2006-07	
	Income	Receipts	Income	Receipts	Income	Receipts
	Provision		Provision		Outturn	
Operating income not classified as A in A	1,433,400	<i>1,433,400</i>	1,308,218	<i>1,308,218</i>	1,311,163	<i>1,311,163</i>
Non-operating income not classified as A in A	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
Total	1,433,400	<i>1,433,400</i>	1,308,218	<i>1,308,218</i>	1,311,163	<i>1,311,163</i>

Forecast Operating Cost Statement

	£'000		
	2008-09 Provision	2007-08 Provision	2006-07 Outturn
Net Administration Costs			
RfR 1	280,261	304,384	293,155
RfR 2	-	-	-
Total Net Administration costs	280,261	304,384	293,155
Net Programme Costs			
RfR 1	10,891,201	10,968,975	8,977,952
RfR 2	25,171,097	23,814,158	23,725,508
Non-voted	-1,433,400	-1,307,311	-1,311,164
Total Net Programme costs	34,628,898	33,475,822	31,392,296
Total Net Operating Cost	34,909,159	33,780,206	31,685,451
<i>of which:</i>			
Net Resource Requirement	36,342,559	35,087,517	32,996,615
Non-voted expenditure	-	907	-1
Consolidated Fund Extra Receipts	-1,433,400	-1,308,218	-1,311,163
Resource Budget	29,569,226	28,404,476	27,503,353

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2008-09 Provision	2007-08 Provision	2006-07 Outturn
Net Resource Requirement (Estimates)	36,342,559	35,087,517	32,996,615
<i>Adjustments to remove:</i>			
Provision voted for earlier years	-	-	-
<i>Adjustments to additionally include:</i>			
Non-voted expenditure in the OCS	-	907	-1
Consolidated Fund Extra Receipts in the OCS	-1,433,400	-1,308,218	-1,311,163
Other adjustments	-	-	-
Net Operating Cost (Accounts)	34,909,159	33,780,206	31,685,451
<i>Adjustments to remove:</i>			
Gains / losses from sale of capital assets	-	-	-3,884
Capital grants	-1,557,096	-1,607,849	-1,383,836
European Union income related to capital grants	-	-	38,901
Voted expenditure outside the budget	-1	-7,000	-3,834
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	692,000	691,000	672,990
Resource consumption of non departmental public bodies	-3,950,986	-3,236,871	-3,050,097
Unallocated resource provision	70,886	13,274	-
Other adjustments	-594,736	-1,228,284	-452,338
Resource Budget (Budget)	29,569,226	28,404,476	27,503,353
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	29,032,083	27,151,762	26,164,055
Annually Managed Expenditure (AME)	537,143	1,252,714	1,339,298

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2008-09 Provision	2007-08 Provision	2006-07 Outturn
Net Voted Capital (Estimates)	64,369	82,058	27,503
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Capital spending by non-departmental public bodies	4,063,368	3,285,269	3,116,912
Capital grants	1,557,096	1,607,849	1,383,836
European Union income related to capital grants	-	-	-38,901
Supported capital expenditure (revenue)	1,143,038	1,298,809	1,181,275
Capital spending by levy funded bodies	-	-	-
Unallocated capital provision	234,229	-	-
Other adjustments	-	-75,369	-15,867
Capital Budget (Budget)	7,062,100	6,198,616	5,654,758
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	7,062,100	6,198,616	5,654,758
Annually Managed Expenditure (AME)	-	-	-

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1: Peter Housden, Permanent Head of the Department for Communities and Local Government

Request for Resources 2: Christopher Wormald, Additional Accounting Officer and Director General of the Local Government and Regeneration Group of the Department

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

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

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

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

	2008-09 Provision	2007-08 Provision	2006-07 Outturn
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions			
Administration	29,755	48,273	53,131
<i>of which:</i>			
Sale of goods and services	29,755	48,273	53,131
Programme	228,489	1,293,314	597,962
<i>of which:</i>			
Sale of goods and services	25,222	32,255	56,380
EU Income	66,318	39,009	190
Other grant income (including repayments of grants/subsidies)	133,200	124,500	112,021
Interest and dividends	2,749	5,612	6,639
Other income (including receipts)	1,000	1,091,938	422,732
Total RfR 1	258,244†	1,341,587	651,093

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: research and administrative services, fee paying enquiries, dissemination and sales of information, royalties, the loan, hire and storage of equipment, seminars, patent rights, conferences and publications (in print and non-print media); sponsorship, including contributions from co-sponsors towards the cost of research and surveys; other government departments including agencies and non-departmental public bodies and overseas government; receipts from the European Union; adjustments to commuted loan charges or residual loan charge grants; pooled housing capital receipts from local authorities; housing revenue receipts from local authorities; donations; receipts from the Housing Corporation; charges for services provided by leasehold valuation tribunals and other receipts by Rent Assessment Panels; recovered renovation or disabled facilities grants; recovered derelict land and other regeneration grants; charges made by the Planning Inspectorate executive agency in England and Wales; receipts from inspections by Crown Property Inspection Group; dividend payment from Ordnance Survey; dividend payment from the Queen Elizabeth II Conference Centre and interest payments on voted loans; receipts from other government departments for research in support of fire and rescue services; receipts from medical appeals to cover BUPA expenditure; receipts from regional fire and rescue control centres building developers; interest payments on deemed and voted loans made to the Fire Service College; dividend payment from the Fire Service College; receipts from Firelink contractor; the disposal of land, buildings, water stores, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; receipts for the use of accommodation; rental income and receipts from property and land; legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements; residual items from the sale of the Building Research Establishment; receipts associated with the Emergency Fire Services; former SRB programme receipts; and the sale of Property Services Agency businesses.

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

Programme	65	38,165	6
<i>of which:</i>			
Sale of goods and services	65	465	6
Other grant income (including repayments of grants/subsidies)	-	36,200	-
Other income (including receipts)	-	1,500	-
Total RfR 2	65†	38,165	6

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

Total Operating A in A	258,309	1,379,752	651,099
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Analysis of non-operating appropriations in aid (A in A)

	£'000		
	2008-09 Provision	2007-08 Provision	2006-07 Outturn
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions			
Programme	82	104	156
<i>of which:</i>			
Sale of assets	-	-	129
Loan, etc, repayments	82	104	27
Total RfR 1	82†	104	156
<i>† Amount 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, hire or storage of equipment; repayment of deemed and voted loans made to the Queen Elizabeth II Conference Centre and the Fire Service College; receipts from the Housing Corporation and the sale of PSA businesses.</i>			
Total Non-Operating A in A	82	104	156

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000					
	2008-09		2007-08		2006-07	
	Provision		Provision		Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Housing Revenue Account Subsidy Δ	741,400	741,400	617,017	617,017	637,872	637,872
Large Scale Voluntary Transfer Levy ●	20,000	20,000	20,000	20,000	7,879	7,879
Pooled capital receipts from local authorities ●	672,000	672,000	671,000	671,000	665,111	665,111
Central administration Φ			11	11	70	70
Planning Inspectorate Executive Agency (fees from appeals against enforcement notices) Φ			190	190	231	231
Total	1,433,400	1,433,400	1,308,218	1,308,218	1,311,163	1,311,163

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

	£'000		
	Voted	Non-voted	Total
Resource DEL	28,648,403	383,680	29,032,083
<i>of which: †</i>			
Administration budget	280,261	-	280,261
Near-cash in RDEL	28,598,206	280,464	28,878,670
Capital DEL ††	2,923,197	4,138,903	7,062,100
Less Depreciation †††	-37,942	-13,056	-50,998
Total DEL	31,533,658	4,509,527	36,043,185

† The total of the '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.

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

The total net resource sought for 2008-09 of £36,342,559,000 is 3.6 per cent higher than the final net provision for 2007-08 of £35,087,517,000 and 5.8 per cent higher than the forecast outturn for 2007-08 of £34,352,334,000.

Cash which may be retained to offset expenditure

	£'000		
	2008-09 Provision	2007-08 Provision	2006-07 Outturn
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	258,391	1,379,856	651,255

Notes to the Main Estimate (*continued*)

Changes in Accounting Policies

Bulk purchases of furniture are now classed as capital expenditure, score in capital budgets and attract depreciation and cost of capital charges, rather than as a near cash expense. The effect of this is to move up to £3,000,000 out of administration resources into capital expenditure in the Estimate, partly offset by increased depreciation and cost of capital charges in administration resources. The net effect of this change on the department's budgets is being managed within existing Resource and Capital DEL allocations.

Notes to the Main Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR1		
B	Commission for Architecture in the Built Environment ♥	6,940
X	Housing Corporation ♥	2,615,249
X	English Partnerships- Urban Regeneration Agency ♥	300,000
X	Leasehold Advisory Service ♥	1,225
RfR2		
I	Valuation Tribunal Service ♥	11,683
I	Standards Board for England ♥	8,285

Notes to the Main Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
Statutory	
Fire Service Act 1947 s17 and the Fire Service (Discipline Regulations) 1985. Liability to litigation by Fire Authorities resulting from delays in processing appeals to the Secretary of State.	200
Payments under the Housing Defects Act 1984 (now part XVI of the Housing Act 1985) to Local Authorities.	750 -1,000
Housing Association Act 1987, s84. Indemnity of building society mortgages for shared ownership schemes.	175
Indemnity given for the Land Stabilisation Project to proceed in Northwich under Section 1 of the Derelict Land Act 1982	25,000
Non-Statutory	
Possible administrative irregularities (Article 4 and 10 checks) in respect of the European Regional Development Fund programme, where approximately 50% of the total irregularities value would not be recovered due to insolvency occurring.	4,997
Three Local Authorities (Corby, Slough and Cannock Chase) have launched legal action against the Department for underpayment of the Local Authority Business Growth Incentive Scheme grant. There is a chance that the court will rule in favour of the Local Authorities. This would result in an additional payment to Local Authorities.	200,850
Possible obligations from Employment Tribunal decision including asbestos claims against the Department.	Unquantifiable
Potential payments under the Housing Revenue Account Subsidy (HRAS) scheme relating to outstanding claims.	Unquantifiable
Liability to pay grant in future years relating to annual gap-funding agreements for negative values transfers of council housing stocks	373,075
Ex-gratia payments which may possibly be made to appellants or other appeal parties who have incurred abortive costs following an error made by the Planning Inspectorate.	75
Possible ex-gratia payments in relation to Housing and Planning	Unquantifiable

Possible compensation in relation to Midlands Co-op / Thurmaston planning case (Parliamentary Ombudsman case).	5200-26000
Possible obligations from Employment Tribunal decisions.	Unquantifiable
Other Employment Tribunal decisions.	186
Charging of VAT on building rental	182
Indemnity given to the Nationwide Building Society as lender for claims relating to the treatment or removal of asbestos in connection with housing stock transfers	Unquantifiable
Indemnity given to the Fire and Rescue Services in respect of possible incidents as a result of mass decontamination.	Unquantifiable
Where bodies outside boundary (see Note 33 of resource accounts) are unable to meet their own liabilities, then there is no reason to believe that the department's future sponsorship and future Parliamentary approval will not be forthcoming.	Unquantifiable

Notes to the Main Estimate (*continued*)

Gifts

The Department for Communities and Local Government will make purchases for the upgrade of fire service radio systems and pass ownership by way of gift to fire authorities; and Gifts may be presented by Ministers on official delegations.

