

Department for Work and Pensions

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years			
<u>Section</u>	<u>Reason for change</u>		
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A1	Administration, Near-Cash Redistribution from RfR5 of Office Services funding to match service provision.	3,013,000	
A1	Administration, Near-Cash Transfer of Estates funding from RfR2 and RfR4 in respect of changes in major occupancy within DWP.	1,891,000	
A1	Administration, Near-Cash Transfer of Independent Case Examiner funding to RfR5 following an extension of remit to provide an independent complaint service to all areas of DWP.		-2,861,000
A1	Administration, Near-Cash Transfer of funding to RfR5 in respect of baseline personnel security checks now being administered centrally.		-21,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A1	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £1,700,000.		
		<u>Total</u>	
Total change in resources for RfR1		<u>4,904,000</u>	<u>-2,882,000</u>
			2,022,000

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Transfers to/from Central Funds</u>			
B3	Grants, Near-Cash Funding in respect of Invest to Save Round 9 Single Homelessness Enterprise Project.	191,000	
B3	Grants, Near-Cash Funding in respect of Invest to Save Round 9 Aspire Project.	15,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
N3	Grants Revised forecast of expenditure on Severe Disablement Allowance.	9,906,000	
O3	Grants Revised forecast of expenditure on industrial injury benefits.	14,036,000	
P3	Grants Revised forecast of expenditure on income support (under 60 years of age).	6,697,000	
S3	Grants Revised forecast of expenditure on Job Grant.	2,872,000	
V3	Grants Revised forecast of expenditure on housing benefit and council tax benefit subsidies.	227,543,000	
W3	Grants Revised forecast of expenditure on rent rebates.	24,893,000	
<u>Other changes in DEL spending</u>			
A5	Appropriations in Aid, Near-Cash A decrease in forecast Appropriations in Aid in respect of the National Insurance Fund leading to an equivalent decrease in non-voted expenditure.	23,571,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A1	Administration, Near-Cash Transfer from RfR3 in respect of staff training costs.	53,000	
A1	Administration, Near-Cash Transfer from RfR5 in respect of staff transferred to the Work, Welfare and Equality Group.	333,000	
A1	Administration, Near-Cash Transfer from RfR5 in respect of the transfer of the Psychology Division to Jobcentre Plus.	761,000	

A1	Administration, Near-Cash Transfer from RfR5 in respect of the transfer of the Strategic Analysts Unit to the Work, Welfare and Equality Group.	432,000
A1	Administration, Near-Cash Transfer of Estates funding to RfR1, RfR3 and RfR5 in respect of changes in major occupancy within DWP.	-3,146,000
A1	Administration, Near-Cash Transfer to RfR3 in respect of the transfer of the Identity Security Project to The Pension Service.	-1,000,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of the transfer of the Occupational Health and Safety Division to the HR Directorate.	-892,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of the transfer of the Procurment Division to the Commercial Estates Division.	-9,869,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of the transfer of staff to the Risk Assurance Division.	-224,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of the transfer of staff to the Adjudication and Constitutional Issues Division.	-18,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of the advancement of HR support services within Employee Shared Service Centres.	-822,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of Corporate HR services.	-85,000
A1	Administration, Near-Cash Redistribution to RfR5 of Office Services funding to match service provision.	-4,497,000
A1	Administration, Near-Cash Transfer of funding to RfR5 in respect of baseline personnel security checks now being administered centrally.	-82,000
<u>Resource transfers within the Request for Resources</u>		
F1	Administration, Near-Cash Transfer funds drawn down from the Housing Benefit Reform Fund to support the Rent Service from Other Current.	11,600,000
F2	Other Current, Near-Cash Transfer funds drawn down from the Housing Benefit Reform Fund to support The Rent Service to Administration.	-11,600,000

Changes in operating appropriations-in-aid (fully offset by changes in spending)

- A5 Administration, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £457,000.
- A5 Other Current, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £2,254,000.
- A5 Grants, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £5,544,000.
- B5 Other Current, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £140,000.
- D5 Administration, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £11,000.
- D5 Other Current, Near-Cash
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure of £2,000.
- G5 Grants, Near-Cash
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure of £111,583,000.
- H5 Grants, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £240,550,000.
- L5 Grants, Near-Cash
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure of £79,697,000.
- M5 Grants, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £10,730,000.
- R5 Grants
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure of £80,422,000.

	<u>Total</u>	322,903,000	-32,235,000
Total change in resources for RfR2			290,668,000

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Changes in Annually Managed Expenditure (AME)</u>			
B3	Grants Revised forecast of expenditure on pension benefits.	5,537,000	
<u>Other changes in DEL spending</u>			
A5	Appropriations in Aid, Near-Cash A decrease in forecast Appropriations in Aid in respect of the National Insurance Fund leading to an equivalent decrease in non-voted expenditure.	12,105,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A1	Administration, Near-Cash Transfer from RfR2 in respect of the transfer of the Identity Security Project to The Pension Service. Transfer of Estates funding from RfR2 in respect of changes in major occupancy within DWP.	1,000,000	
A1	Administration, Near-Cash Transfer from RfR5 in respect of the transfer of staff to the Pensions Client Directorate.	167,000	
A1	Administration, Near-Cash Transfer to RfR2 in respect of staff training costs.		-53,000
A1	Administration, Near-Cash Redistribution to RfR5 of Office Services funding to match service provision.		-4,159,000
A1	Administration, Near-Cash Transfer of Independent Case Examiner funding to RfR5 following an extension of remit to provide an independent complaint service to all areas of DWP.		-2,000,000
A1	Administration, Near-Cash Transfer to RfR5 in respect of additional services provided by legal professionals.		-326,000
<u>Changes in non-budget spending</u>			
E3	Grants, Near-Cash Prior year funding for the Social Fund that was not applied in the prior year and is available to meet current year Social Fund spend.	21,000,000	

Changes in operating appropriations-in-aid (fully offset by changes in spending)

A5 Administration, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £6,274,000.

A5 Other Current, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £1,066,000.

<u>Total</u>	40,676,000	-6,538,000
Total change in resources for RfR3		34,138,000

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

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Changes related to movements in budgetsChanges in Annually Managed Expenditure (AME)

C3	Grants Revised forecast of expenditure on Attendance Allowance.	51,519,000	
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D3	Grants Revised forecast of expenditure on Disability Living Allowance.	210,846,000	
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Other changesResource transfers to/from another Request for Resources

A1	Administration, Near-Cash Transfer of Estates funding to RfR1 in respect of changes in major occupancy within DWP.		-1,514,000
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A1	Administration, Near-Cash Transfer of funding to RfR5 in respect of baseline personnel security checks now being administered centrally.		-8,000
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Changes in operating appropriations-in-aid (fully offset by changes in spending)

A5 Administration, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £54,000.

A5 Other Current, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £104,000.

B5 Grants, Near-Cash
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure of £474,000.

<u>Total</u>	262,365,000	-1,522,000
Total change in resources for RfR4		260,843,000

RfR 5: Corporate contracts and support services**Changes related to movements in budgets**Transfers of budgetary cover from other government departments

A1	Administration, Near-Cash Transfer from the Cabinet Office for funding of Parliamentary Counsel.	280,000
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Other changes in DEL spending

A1	Administration, Near-Cash Drawdown from the Financial Inclusion Fund in respect of the Growth Fund.	6,000,000
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Other changes in DEL spending

A5	Appropriations in Aid, Near-Cash A decrease in forecast Appropriations in Aid in respect of the National Insurance Fund leading to an equivalent decrease in non-voted expenditure.	10,090,000
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Other changesResource transfers to/from another Request for Resources

A1	Administration, Near-Cash Transfer of Independent Case Examiner funding from RfR1 and RfR3 following an extension of remit to provide an independent complaint service to all areas of DWP.	4,861,000
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A1	Administration, Near-Cash Transfer of Estates funding from RfR2 in respect of changes in major occupancy within DWP.	1,902,000
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A1	Administration, Near-Cash Transfer of funding from RfR1, RfR2 and RfR4 in respect of baseline personnel security checks now being administered centrally.	111,000
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A1	Administration, Near-Cash Transfer from RfR2 in respect of the transfer of the Occupational Health and Safety Division to the HR Directorate.	892,000
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A1	Administration, Near-Cash Transfer from RfR2 in respect of the transfer of the Procurment Division to the Commercial Estates Division.	9,869,000
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A1	Administration, Near-Cash Transfer from RfR2 in respect of the transfer of staff to the Risk Assurance Division.	224,000
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A1	Administration, Near-Cash Transfer from RfR2 in respect of the transfer of staff to the Adjudication and Constitutional Issues Division.	18,000
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A1	Administration, Near-Cash Transfer from RfR2 in respect of the advancement of HR support services within Employee Shared Service Centres.	822,000
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A1	Administration, Near-Cash Transfer from RfR2 in respect of Corporate HR services.	85,000
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A1	Administration, Near-Cash Transfer from RfR3 in respect of additional services provided by legal professionals.	326,000	
A1	Administration, Near-Cash Redistribution from RfR2 and RfR3 of Office Services funding to match service provision.	8,656,000	
A1	Administration, Near-Cash Redistribution to RfR1 of Office Services funding to match service provision.		-3,013,000
A1	Administration, Near-Cash Transfer of funding to RfR2 in respect of the transfer of staff to the Work, Welfare and Equality Group.		-333,000
A1	Administration, Near-Cash Transfer to RfR2 in respect of the transfer of the Psychology Division to Jobcentre Plus.		-761,000
A1	Administration, Near-Cash Transfer to RfR2 in respect of the transfer of the Strategic Analysts Unit to the Work, Welfare and Equality Group.		-432,000
A1	Administration, Near-Cash Transfer to RfR3 in respect of the transfer of staff to the Pensions Client Directorate.		-167,000
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>		
A5	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £11,173,000.		
A5	Other Current, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £70,000.		
		<u>Total</u>	<u>44,136,000</u>
	Total change in resources for RfR5		-4,706,000
			39,430,000
	Total change in resources for Estimate		627,101,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Other changes

Changes in non-operating appropriations-in-aid (fully offset by changes in spending)

A8	Capital A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Capital expenditure of £2,675,000.		
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	<u>Total</u>	-	-
Total change in capital for Estimate		-	-

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £1,147,101,000.
3. Symbols are explained in the Introduction to this booklet.

Department for Work and Pensions

Part I

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RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	†	2,022,000
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need		290,668,000
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners		34,138,000
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society		260,843,000
RfR 5: Corporate contracts and support services		39,430,000
Total additional net resource requirement		627,101,000
Additional net cash requirement		1,147,101,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 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; preliminary work relating to the Child Maintenance Enforcement Commission; 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 60s; 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; administration costs of payments and loans made from the Social Fund; 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; temporary subsidies to employers; payments and grants to private, public and voluntary bodies and local authorities towards the provision of supported employment or employment programmes; a Grant in Aid to Working Ventures UK; 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; 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

Part I (*continued*)

housing payments; compensation for sufferers, or their dependants, of certain dust related diseases; The Rent Service Agency; the Health and Safety Commission (HSC) / Executive (HSE) and 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; contribution towards the costs of setting up the Commission for Employment and Skills; and associated non-cash items.

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; One-off payments to those over 60, Income Support for the elderly; Pension Credit; the administration costs of working age and pension age benefits to customers abroad; the administration costs of Housing Benefit, Council Tax Benefit, Attendance Allowance and Disability Living Allowance to pensioners; sums payable to fund payments and loans made by the Social Fund; the administration costs of payments and loans made from the Social Fund; costs associated with the collapse of private pension schemes; expenditure to assist people to make plans for their retirement; research into pensions; private pensions industry regulatory work; 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 the needs of older people; Grants in Aid to the Centre for Policy on Ageing, to the Pensions Advisory Service, to the Pension Protection Fund, to the Pensions Regulator, to the Office of the Pensions Ombudsman, to the Pensions Protection Fund Ombudsman, to the Personal Accounts Delivery Authority and for the administration costs of Better Government for Older People; payments made to the BBC in respect of over 75s free TV licence scheme; expenditure in respect of the Pensions Regulator, the Financial Assistance Scheme and preliminary work relating to the Personal Accounts Delivery Authority; payment of the General Levy to the Pensions Regulator in respect of Public Sector Pensions Schemes; 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; 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.

† £300,000 has been advanced from the Contingencies Fund to provide cash in respect of £300,000 resources supporting the service provided for under subhead A1 of this Estimate. A corresponding cash amount is required to enable repayment to be made to the Fund.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	406,751	3,722	1,700	2,022	408,773
Total RfR 1		3,722	1,700	2,022	
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 2 - A Administration	2,717,599	-10,801	-15,316	4,515	2,722,114
RfR 2 - B Employment Programmes	772,177	346	140	206	772,383
RfR 2 - D Health and Safety Laboratory	-	9	9	-	-
RfR 2 - G European Social Fund and European Globalisation Fund	-	-111,583	-111,583	-	-
RfR 2 - H European Social Fund payments in advance of receipts	32,700	240,550	240,550	-	32,700
<i>Support for Local Authorities</i>					
RfR 2 - L European Social Fund	-	-79,697	-79,697	-	-
RfR 2 - M European Social Fund payments in advance of receipts	-	10,730	10,730	-	-
Spending in Annually Managed expenditure (AME)					
<i>Central Government Spending</i>					
RfR 2 - N Severe Disablement Allowance	886,667	9,906	-	9,906	896,573
RfR 2 - O Industrial injury benefits	793,109	14,036	-	14,036	807,145
RfR 2 - P Income support (under 60 years of age)	8,778,303	6,697	-	6,697	8,785,000
RfR 2 - R Jobseeker's allowance (contribution based)	-	-80,422	-80,422	-	-
RfR 2 - S Job Grant	45,064	2,872	-	2,872	47,936
<i>Support for Local Authorities</i>					
RfR 2 - V Housing benefit and council tax benefit subsidies	13,916,309	227,543	-	227,543	14,143,852
RfR 2 - W Rent rebates	5,234,667	24,893	-	24,893	5,259,560
Total RfR 2		255,079	-35,589	290,668	
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government Spending</i>					
RfR 3 - A Administration	198,666	2,836	-4,765	7,601	206,267
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 3 - B Pension benefits	60,499	5,537	-	5,537	66,036

Non-Budget

RfR 3 - E	Payments to the Social Fund	2,475,283	21,000	-	21,000	2,496,283
Total RfR 3			29,373	-4,765	34,138	

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society**Spending in Departmental Expenditure Limits (DEL)***Central Government spending*

RfR 4 - A	Administration	248,343	-1,364	158	-1,522	246,821
RfR 4 - B	Motability administration	2,800	474	474	-	2,800

Spending in Annually Managed Expenditure (AME)*Central Government spending*

RfR 4 - C	Attendance Allowance	4,391,481	51,519	-	51,519	4,443,000
RfR 4 - D	Disability Living Allowance	9,748,154	210,846	-	210,846	9,959,000
Total RfR 4			261,475	632	260,843	

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

RfR 5 - A	Administration	1,039,380	40,583	1,153	39,430	1,078,810
Total RfR 5			40,583	1,153	39,430	

Total Changes to RfRs

	590,232	-36,869	627,101
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	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	66,992	-2,675	64,317
Non-Operating A in A	15,495	-2,675	12,820
Net cash requirement	66,698,991	1,147,101	67,846,092

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	
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years								
410,671	-	-	410,671	1,898	408,773	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
410,671	-	-	410,671	1,898	408,773	-	-	
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need								
3,354,138	1,018,115	35,813,861	40,186,114	1,852,728	38,333,386	24,978	495	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
3,064,400	119,651	51,236	3,235,287	513,173	2,722,114	13,605	-	
B Employment Programmes								
-	678,293	94,230	772,523	140	772,383	-	-	
C Health and Safety Executive								
221,976	58,725	-	280,701	53,319	227,382	8,900	475	
D Health and Safety Laboratory								
32,260	5,237	-	37,497	37,497	-	1,800	20	
E Capital Grants								
-	2,549	5,927	8,476	-	8,476	-	-	
F The Rent Service Executive Agency								
35,502	-	-	35,502	-	35,502	673	-	
G European Social Fund and European Globalisation Fund								
-	-	4,908	4,908	4,908	-	-	-	
H European Social Fund payments in advance of receipts								
-	32,700	614,781	647,481	614,781	32,700	-	-	
<i>Support for Local Authorities</i>								
I Employment Programmes								
-	-	37,047	37,047	-	37,047	-	-	
J Housing benefit and council tax benefit administration grants								
-	-	680,200	680,200	-	680,200	-	-	
K Capital grants to Local Authorities								
-	-	2,895	2,895	-	2,895	-	-	
L European Social Fund								
-	-	900	900	900	-	-	-	
M European Social Fund payments in advance of receipts								
-	-	39,412	39,412	39,412	-	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
N Severe Disablement Allowance								
-	-76	896,948	896,872	299	896,573	-	-	
O Industrial injury benefits								
-	-74	845,992	845,918	38,773	807,145	-	-	
P Income support (under 60 years of age)								
-	116,830	8,801,618	8,918,448	133,448	8,785,000	-	-	
Q Jobseeker's allowance (income based)								
-	1,003	2,051,776	2,052,779	1,484	2,051,295	-	-	
R Jobseeker's allowance (contribution based)								
-	-	414,594	414,594	414,594	-	-	-	
S Job Grant								
-	-	47,936	47,936	-	47,936	-	-	
T Employment Allowances								
-	-	84,297	84,297	-	84,297	-	-	
U Housing and Council tax benefit capital charge								
-	3,277	-	3,277	-	3,277	-	-	

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
Support for Local Authorities							
V	Housing benefit and council tax benefit subsidies						
-	-	14,143,852	14,143,852	-	14,143,852	-	-
W	Rent rebates						
-	-	5,259,560	5,259,560	-	5,259,560	-	-
X	Discretionary housing payments						
-	-	20,000	20,000	-	20,000	-	-
Non-budget							
Y	Statutory benefits (SSP and SMP)						
-	-	1,712,065	1,712,065	-	1,712,065	-	-
Z	Working Age (Grants in Aid)						
-	-	3,687	3,687	-	3,687	-	-
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners							
	606,204	6,099	10,447,120	11,059,423	424,920	10,634,503	3,640
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Administration						
606,204	6,830	18,153	631,187	424,920	206,267	3,640	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
B	Pension benefits						
-	-5	66,041	66,036	-	66,036	-	-
C	Income support for the elderly and Pension Credit						
-	-726	7,327,780	7,327,054	-	7,327,054	-	-
D	TV licences for the over 75s						
-	-	503,078	503,078	-	503,078	-	-
Non-budget							
E	Payments to the Social Fund						
-	-	2,496,283	2,496,283	-	2,496,283	-	-
F	Pensions Grants in Aid						
-	-	35,785	35,785	-	35,785	-	-
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society							
	246,875	-139	16,022,399	16,269,135	24,759	16,244,376	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Administration						
246,875	104	-	246,979	158	246,821	-	-
B	Motability administration						
-	160	3,274	3,434	634	2,800	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
C	Attendance Allowance						
-	-403	4,445,452	4,445,049	2,049	4,443,000	-	-
D	Disability Living Allowance						
-	-	9,980,918	9,980,918	21,918	9,959,000	-	-
E	Carer's Allowance						
-	-	1,271,787	1,271,787	-	1,271,787	-	-
F	Vaccine Damage Payments						
-	-	500	500	-	500	-	-

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	
G	Grants to independent bodies							
-	-	300,468	300,468	-	300,468	-	-	
Non-budget								
H	Disability Rights Commission (Grant in Aid)							
-	-	20,000	20,000	-	20,000	-	-	
RfR 5: Corporate contracts and support services								
1,230,655	162,875	-	1,393,530	314,720	1,078,810	35,699	12,325	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Administration							
1,230,655	162,875	-	1,393,530	314,720	1,078,810	35,699	12,325	
Total for Estimate:								
5,848,543	1,186,950	62,283,380	69,318,873	2,619,025	66,699,848	64,317	12,820	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	66,072,747	627,101	66,699,848
Voted capital items			
Capital	66,992	-2,675	64,317
<i>Less:</i> Non-operating A in A	15,495	-2,675	12,820
Total net voted capital	51,497	-	51,497
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-54,966	-	-54,966
Depreciation	-153,023	-	-153,023
New provisions and adjustments to previous provisions	-97,022	-	-97,022
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-1,074	-	-1,074
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	809,945	-	809,945
Increase(-)/decrease (+) in creditors	-	520,000	520,000
Use of provisions	70,887	-	70,887
Total accruals to cash adjustments	574,747	520,000	1,094,747
Excess cash to be CFERd	-	-	-
Net Cash Requirement	66,698,991	1,147,101	67,846,092

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	408,773
RfR2	3,265,160
RfR3	597,065
RfR4	246,821
RfR5	1,192,735
Total Net Administration Costs	5,710,554
Net Programme Costs	
RfR1	-
RfR2	35,068,226
RfR3	7,541,155
RfR4	15,997,555
RfR5	-113,925
Non-voted	68,901,718
Total Net Programme costs	127,394,729
Total Net Operating Cost	133,105,283
<i>of which:</i>	
Net Resource Requirement	66,699,848
Non-voted expenditure	68,901,718
Consolidated Fund Extra Receipts	-
Resource Budget	133,199,757

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	66,699,848
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	68,901,718
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-2,496,283
Net Operating Costs (Accounts)	133,105,283
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
Capital grants	-12,283
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	947
unallocated resource provision	104,900
Other adjustments	910
Resource Budget (Budget)	133,199,757
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	7,733,237
Annually Managed Expenditure (AME)	125,466,520

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	51,497
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	395
capital grants	12,283
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	154,369
Capital Budget (Budget)	218,544
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	64,175
Annually Managed Expenditure (AME)	154,369

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.

Request for Resources 1	Leigh Lewis, Permanent Head of the Department
Request for Resources 2	Leigh Lewis, Permanent Head of the Department
Request for Resources 3	Leigh Lewis, Permanent Head of the Department
Request for Resources 4	Leigh Lewis, Permanent Head of the Department
Request for Resources 5	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 Accounting Officer 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 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.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08 Provision
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	
Administration	1,898
<i>of which:</i>	
Sale of goods and services	1,898
Total RfR1	1,898 †

† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from staff for private telephone calls; receipts from staff towards the costs of private use of official vehicles; 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 other departments/organisations in respect of outward secondments; 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

Administration	88,978
<i>of which:</i>	
Sale of goods and services	88,978
Programme	1,763,750
<i>of which:</i>	
Sale of goods and services	955,620
EU income	660,001
CFERs	-
Other income (including receipts)	148,129
Total RfR2	1,852,728 †

† 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 staff towards the costs of private use of official vehicles; receipts from mortgage lenders; receipts from other departments/organisations in respect of outward secondments; receipts from the sale of non-capital items; 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 programmes and 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 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 selling services under the Wider Markets Initiative; receipts from partner organisations in respect of action teams; the recovery of excess payments made on Jobcentre Plus employment measures; 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 or Jobseeker's Allowance (income based); repayment of Jobseeker's Allowance (contribution based) from the National Insurance Fund; receipts in respect of the Health and Safety Commission (HSC)/Executive (HSE) and the Health and Safety Laboratory (HSL), including fees and charges levied, 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); payments from other government departments, agencies, non-departmental public bodies and overseas governments; sales of land and buildings, water, stores, plant, equipment, machinery and vehicles; recoveries of seconded staff salaries; receipts for the use of accommodation, rental income, receipts from property and land, sponsorship, including contributions from co-sponsors towards the costs of research and surveys carried out; recoveries from the European Union in respect of travelling expenses and subsistence allowances incurred by staff on European Union business; contributions and recoveries from the European Union of costs of research and projects, legal claims, including

awards of court costs and out of court settlements; refunds of advance of salaries of staff, and repayment of loans; 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 European Globalisation Fund; Joint International Unit administration receipts; payments from the Department for Children, Schools and Families and the Department for Innovation, Universities and Skills; refunds from Local Authorities of Housing Benefit Reform Funding; National Employment Panel receipts.

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

Administration	9,139
<i>of which:</i>	
Sale of goods and services	9,139
Programme	415,781
<i>of which:</i>	
Sale of goods and services	415,781
Total RfR3	424,920 †

† 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 from other departments/organisations in respect of outward secondments; receipts for levy funded bodies; receipts from mortgage lenders; receipts from selling services under the Wider Markets Initiative; receipts from staff for private telephone calls; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; receipts from staff towards the cost of private use of official vehicles.

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

Administration	54
<i>of which:</i>	
Sale of goods and services	54
Programme	24,705
<i>of which:</i>	
Sale of goods and services	24,071
Other income (including receipts)	634
Total RfR4	24,759 †

† 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 other departments/organisations in respect of outward secondments; receipts from staff for private telephone calls; receipts from staff towards the cost of the use of official vehicles: receipts via Compensation Recovery Unit in respect of benefits paid in lieu; recoveries of payments towards Motability's car adaptation/conversion and administration costs.

RfR 5: Corporate contracts and support services

Administration	37,920
<i>of which:</i>	
Sale of goods and services	37,920
Programme	276,800
<i>of which:</i>	
Sale of goods and services	276,800
Interest and dividends	-
Total RfR5	314,720 †

† 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 other departments/organisations in respect of outward secondments; receipts from staff for private telephone calls; receipts from staff towards the costs of private use of official vehicles; recovery of law costs from defendants; receipts from sub-let accommodation; receipts from sale of non-capital items; receipts from Working Links, Working Links management fee and dividend; Early Departures pre-funding interest.

Total Operating A in A	2,619,025
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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	
Programme	495
<i>of which:</i>	
Sale of assets	495
Total RfR2	495 †

† 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	
Programme	12,325
<i>of which:</i>	
Sale of assets	12,325
Total RfR5	12,325 †

† 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.

Total Non-Operating A in A	12,820
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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	53,139	-45,766	6,449,887	1,283,350	7,733,237
<i>Administration budget †</i>	<i>17,880</i>	<i>-</i>	<i>5,710,554</i>	<i>105,810</i>	<i>5,816,364</i>
<i>Near-cash in RDEL</i>	<i>53,139</i>	<i>-45,766</i>	<i>6,238,517</i>	<i>1,332,008</i>	<i>7,570,525</i>
Capital DEL ††	-887	-	63,780	395	64,175
Less Depreciation †††	-	-	-153,023	-1,342	-154,365
Total	52,252	-45,766	6,360,644	1,282,403	7,643,047

† 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
2,631,845

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

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

RfR/Section	Body		£ '000
RfR2	NEP Limited	♥	3,687
RfR3	The Pensions Regulator	♥	29,800
RfR3	The Pensions Advisory Service	♥	2,788
RfR3	Office of the Pensions Ombudsman	♥	2,597
RfR4	Disability Rights Commission	♥	20,000
	Total		<hr/> 58,872

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£ '000	
As at 31 March 2007, the following liabilities fell to be met from the Department's Estimate:		
Non-Statutory	£'000	
Child Support Agency debt		
The Agency operates a discretionary scheme for certain qualifying cases whereby a lump sum payment of arrears is made to a parent with care before that money is collected by the Agency from the non-resident parent. Entitlement to such a payment is neither automatic nor referred to in legislation. These payments are shown in the Accounts as advance payments of maintenance and interest payable and in 2006-07 £1.614 million (2005-06 £1.247 million) was charged. At 31 March 2007 a number of cases existed which may subsequently qualify under this scheme, giving rise to a potential liability. The amount of this liability is dependent on a number of factors, the outcome of which for each case is unable to be determined. For this reason no provision has been made in the Accounts. Any future potential liability is mitigated by the fact that this scheme can be withdrawn without notice.	Unquantifiable	
Remploy Limited		
The Secretary of State for Work and Pensions has given formal guarantee in respect of Remploy Limited, an Executive Non-Departmental Public Body. In the event of Remploy Limited becoming insolvent, the Secretary of State has agreed to pay Remploy Limited a sum equal to any and all of its remaining debts i.e the excess of its liabilities over and above the proceeds from realisation of its assets. In addition to this guarantee over Remploy's net liabilities the Department also guarantees to cover any shortfall in its pension provision.	Unquantifiable	
Better Government for Older People (BGOP)		
This is an initiative which is funded by several consortium partners with the Department for Work and Pensions providing the largest proportion of funds by way of Grant-in-Aid. Since BGOP has no legal identity, the usual 'Financial Memorandum' is replaced by a 'Consortium Agreement' that has Treasury approval. But in addition to the funding which the DWP provides, we have also agreed to indemnify Help the Aged, the host organisation, against any losses arising from BGOP activity to the sum of £1 million in any one year and, as the 'Consortium Agreement' year runs from October to September, £2 million in totality.	2,000	
European Social Fund (ESF) Repayments		
The Department has a potential liability in respect of ineligible claims for ESF programmes that operated during 1994-99 and 2000-06. The Department anticipates it will be able to claim from the European Commission expenditure of £19m already paid to ESF projects, and this amount has been provided for in these accounts.	Unquantifiable	
An additional liability could arise in 2009 at the closure of the 2000-06 ESF programme when the ESF Audit Authority is required to produce a closure statement for each ESF programme. There is a risk that any adverse opinions might result in the European Commission imposing financial corrections. At present there is uncertainty as to the amount of any potential liability. This means a provision cannot be justified at this stage.		

Financial Assistance Scheme

In March 2007, the Budget announced an extension to the Financial Assistance Scheme. The provision will not be amended until legislation is in place (expected to be in November 2007). This will increase the Financial Assistance Scheme provision by £1.368 billion and additional budgetary cover will be required.

1,368,000

Employment Tribunals

The Health and Safety Executive (HSE) is currently defending two equal-pay cases. In October 2003, HSE successfully appealed at an Employment Appeal Tribunal against an Employment Tribunal decision handed down in July 2002. That appeal was subjected to cross appeal and in October 2004 the Court of Appeal referred a point of law to the European Court of Justice (ECJ). The ECJ judgement was handed down in October 2006, following which the Court of Appeal remitted the case back to the Employment Tribunal for a rehearing. No date has yet been fixed for this rehearing.

Unquantifiable

HSE is defending a claim for compensation brought by a small number of staff which alleges that HSE is in breach of contract and that those breaches are ongoing. The basis of their claim is that in 2004 HSE imposed a new pay system without their agreement, which financially disadvantaged them. HSE is defending the case which is due to be heard at an Employment Tribunal in June 2007.

Health and Safety Laboratories (HSL)

Towards the end of the 2005-06 financial year, both HSL and a main contractor engaged by HSL, received claims alleging that injuries had been incurred by an employee of a sub-contractor engaged by the main contractor to work on HSL's site at Buxton. The matter remains the subject of both a police investigation and a HSE investigation, the confidential nature of which means that HSL is still awaiting further information to enable it to assess its position with regard to any potential liability.

Unquantifiable

Vaccine Damage Payments

Important changes to the Vaccine Damage Payments Scheme have been introduced. The level of disablement that is defined as severe has been reduced from 80% to 60 % and the period of time during which a claim can be made has been extended.

Unquantifiable

These changes mean that some people who have been disallowed in the past may be able to make another claim under these new rules. These further claims had to be received by 16 June 2005. All of the 389 claims received by this deadline were rejected. As they carry appeal rights there is no time limit for requesting a Vaccine Damage Appeal and it can be 10 years or more before they decide to go ahead. It is not currently possible to estimate the value or success of these claims and so no provision has been made in these accounts.

Deficiency Notices

Deficiency notices were not sent out for the tax years 1996-97 to 2001-02. Her Majesty's Revenue and Customs (formerly Inland Revenue) has contacted customers of working age. Between September 2004 and September 2005, The Pension Service contacted 414,427 pensioner customers affected by the suspension of deficiency notices. Customers who reached State Pension age between 6 April 1998 and 24 October 2004 (inclusive) were invited to consider paying voluntary contributions to provide them with the opportunity to improve their basic State pension or qualify for one for the first time. 11,000

As at March 2006, State Pension arrears of £76.2 million had been paid out in relation to the pensioner exercise, plus interest of £3.0 million. The administrative cost of the project to this date has been £31.3 million.

The estimated further cost of State Pension arrears to be paid during the remainder of the exercise is £8.5 million plus interest of £0.6 million, with a further administrative cost estimated at around £1.9 million, contingent upon contact from customers.

The Rent Service

There are a number of legal claims against The Rent Service, the outcome of which cannot at present be stated with certainty. None of these claims have been settled. A cost of £90,000 has been estimated based on previous experience of similar claims. A cost of £60,000 has also been estimated for two pending Employment Tribunal cases. These costs have not been provided for in these financial statements. 150

Employee Assistance Programme

The Department has a potential liability in respect of tax on 'legal advice' provided by the Employee Assistance Programme (EAP). This potential liability has arisen as a result of a Statutory Instrument introduced in August 2000. Although 'legal advice' forms a small part of the EAP services the rules state that where any part of an EAP service provides 'legal advice' the whole of that service is liable for tax. The Employee Assistance Professional Association are challenging HM Revenue and Customs policy and interpretation of 'legal advice' on the basis that it provides clear employer benefit as it is an essential part of the employer's resources for maintaining the well being of its employees. The Department has entered into discussions with HMRC. It is currently not possible to estimate the value of this liability so no provision has been made in these accounts. Unquantifiable

Pneumoconiosis Payments

Jobcentre Plus are accountable for compensation payments in relation to pneumoconiosis. Compensation payments are made under the workers' Pneumoconiosis Compensation Payments Scheme which is intended to compensate those suffering from certain dust diseases where they are unable to claim compensation by way of civil action in the courts. Award of Industrial Injuries Disablement Benefit is a precondition for payments to all sufferers and most dependants. The payment amounts and the number of years for which they will continue are unclear. No reliable estimate of the financial effect can therefore be given. Unquantifiable