

Northern Ireland Office

Introduction

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

Amount £

Changes in resources

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

The main purpose of the Supplementary Estimate is to drawdown Departmental Unallocated Provision of £6,000,000 administration and £31,000,000 programme, to request Non-budget funding outside the Department's budgetary framework to enable a transfer to Northern Ireland Executive for PSNI civilian pension of £1,620,000, to action an increase in the PSNI pension cash grant of £7,092,000, to action technical transfers to other government departments of £339,000 net, a transfer from capital of £2,221,000 to Non-budget and to action an increase in PSNI cash grant of £3,530,000 due to FTR provision

Increases:

Take-up of DUP

37,000,000

- 1 an increase of £6,000,000 administration (RfR 1: Subhead A1, Central Administration) due to increased running costs and reallocation of easements identified in other subheads
- 2 an increase of £14,263,000 grants (RfR 1: Subhead G3, Compensation Agency) due to increased provision for compensation claims
- 3 an increase of £1,000,000 other current (RfR 1: Subhead P2, Bloody Sunday) due to the continuation of the Bloody Sunday Inquiry in 2005/06
- 4 an increase of £5,275,000 other current (RfR 1: Subhead C2, Political) due to the set up of the Cory Inquiries
- 5 an increase of £462,000 other current (RfR 1: Subhead J2, Northern Ireland Prison Service) due to an increase in provisions
- 6 an increase of £10,000,000 other current (RfR 1: Subhead H2, Policing & Security) due to the utilisation of the PSNI FTR provision

Funding request outside the Department's budgetary framework

12,242,000

- 1 an increase of £1,620,000 grants (RfR 1: Subhead L3 Police) being the final tranche to action a transfer to the Northern Ireland Executive for PSNI civilian pensions
- 2 an increase of £7,092,000 grants (RfR 1: Subhead M3 Police Pensions) due to an increase in pension cash grant
- 3 an increase of £3,530,000 grants (RfR 1: Subhead L3 Police) due to an increased utilisation of an FTR provision

Introduction (*continued*)

Transfers from other government departments 650,000

- 1 Transfers from NIE £43,000 administration for Energy Efficiency (RfR 1: Subhead A1, Central Administration), £406,000 administration for security vetting (RfR 1: Subhead A1, Central Administration) and a budgetary transfer from Cabinet Office of £201,000 administration for the Parliamentary Counsel Office (RfR 1: Subhead A1, Central Administration)

Transfers from capital

- 1 an increase of £741,000 grant (RfR 1: Subhead O3, Probation Board for Northern Ireland) due to a transfer from Criminal Justice for Northern to fund a capital project 741,000
- 2 an increase of £1,480,000 grant (RfR 1: Subhead L3, Police) due to a transfer from Central Administration for capital projects 1,480,000

Decreases

Transfers to other government departments -409,000

Transfers to NIE - DFP comprising £105,000 administration for pensions (£44,000 (RfR 1: Subhead A1, Central Administration) and £61,000 (RfR 1: Subhead J1, Northern Ireland Prison Service)), £8,000 programme for BRO (RfR 1: Subhead F2, Criminal Justice), £50,000 programme for domestic violence (RfR 1: Subhead F2, Criminal Justice), £100,000 administration for OHS (£52,000 (RfR 1: Subhead J1, Northern Ireland Prison Service), £12,000 (RfR 1: Subhead K1, Youth Justice Agency) and £36,000 (RfR 1: Subhead A1, Central Administration)), £25,000 programme for ESNSG (RfR 1: Subhead F3, Criminal Justice), £95,000 grants for centralisation costs (RfR 1: Subhead L3, Police) and £26,000 administration for salaries (RfR 1: Subhead A1, Central Administration)

Neutral Changes:Transfers within the RfR

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Sections receiving transfers

- 1 an increase of £1,717,000 administration (RfR 1: Subhead A1, Central Administration) due to increased staff and training costs and easements from other sections
- 2 an increase of £252,000 other current (RfR 1: Subhead A2, Central Administration) due to increased running costs for Information Services
- 3 an increase of £330,000 AinA (RfR 1: subhead A5, Central Administration) due to an increase in receipts from other departments for staff on secondment
- 4 an increase of £241,000 administration (RfR 1: Subhead B1, Ministers) due to increased running costs
- 5 an increase of £395,000 administration (RfR 1: Subhead C1, Political) due to the set up of the Cory Inquiries
- 6 an increase of £70,000 A-inA (RfR 1: Subhead C5, Political) due to an increase in Electrol Office receipts
- 7 an increase of £36,000 administration (RfR 1: Subhead E1, Forensic Science Northern Ireland) due to a transfer from Central Administration for training costs

Introduction (*continued*)

- 8 an increase of £2,637,000 other current (RfR 1: Subhead J2, Northern Ireland Prison Service) due to an increase in provisions
- 9 an increase of £81,000 administration (RfR 1: Subhead F1, Criminal Justice) due to a transfer from central administration for training costs
- 10 an increase of £145,000 administration (RfR 1: Subhead G1, Compensation Agency) due to increased professional fees associated with an increase in compensation claims
- 11 an increase of £3,875,000 grants (RfR 1: Subhead L3, Police) due to an increase in PSNI and Patten severance projects
- 12 an increase of £304,000 grants (RfR 1: Subhead O3, Probation Board for Northern Ireland) mainly due to the victim support scheme

Sections making transfers

- 1 a decrease of £150,000 grants (RfR 1: Subhead C3, Political) due to court cases not being settled until 2006/07
- 2 a decrease of £66,000 administration (RfR 1: Subhead H1, Policing and Security) due to reduced running costs
- 3 a decrease of £3,373,000 other current (RfR 1: Subhead H2, Policing and Security) due to reduced running costs
- 4 a decrease of £1,477,000 administration (RfR 1: Subhead J1, Northern Ireland Prison Service) due to short term vacancies in NIPS headquarters and the Prison Service College
- 5 a decrease of £20,000 A-in-A (RfR 1: Subhead J5, Northern Ireland Prison Service) due to decreased resource receipts
- 6 a decrease of £1,643,000 other current (RfR 1: Subhead F2, Criminal Justice) mainly due to a slippage in the Community Safety Partnership programme
- 7 a decrease of £250,000 grants (RfR 1: Subhead F3, Criminal Justice) due to a slippage in staff recruitment in the Criminal Justice Inspectorate
- 8 a decrease of £3,000 other current (RfR 1: Subhead K2, Youth Justice Agency) due to a delay in the roll-out of the Youth Conference Service
- 9 a decrease of £165,000 administration (RfR 1: Subhead D1, Public Prosecution Service) due to a reduction in rent and rates for the new headquarters building
- 10 a decrease of £1,358,000 other current (RfR 1: Subhead D2, Public Prosecution Service) due to a slippage in the set up of the regional offices
- 11 a decrease of £416,000 other current (RfR 1: subhead G2, Compensation Agency) due to a reduction in non-cash costs
- 12 a decrease of £95,000 A-in-A (RfR 1: Subhead G5, Compensation Agency) due to a reduction in the level of recoveries from past offenders
- 13 a decrease of £497,000 administration (RfR 1: Subhead P1, Bloody Sunday) due to rephrasing of the publication of the Bloody Sunday report until 2006/07

Total change in resources for RfR1 51,704,000

Introduction *(continued)*

Changes in capital

Decreases:

Transfers to other government departments

1	a transfer of £580,000 capital to NIE (RfR 1: Subhead F7, Criminal Justice)	-580,000
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Other

1	a decrease of £741,000 capital (RfR 1: Subhead F7, Criminal Justice) due to a transfer to Probation Board for Northern Ireland cash grant to fund a capital project	-741,000
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2	a decrease of £1,480,000 capital (RfR 1: Subhead A7, Central Administration) due to a transfer to PSNI cash grant for capital projects	-1,480,000
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Neutral Changes:

Sections receiving transfers

1	an increase of £1,253,000 capital (RfR 1: Subhead A7, Central Administration) due to an increase in capital projects	1,253,000
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2	an increase of £37,000 capital (RfR 1: Subhead E7, Forensic Science Northern Ireland) due to the Historic case project	37,000
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3	an increase of £70,000 capital (RfR 1: Subhead D7, Public Prosecution Service) due to the set up of a disaster recovery site	70,000
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4	an increase of £140,000 capital (RfR 1: Subhead G7, Compensation Agency) due to the development of the case management system and increased accommodation costs	140,000
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Sections making transfers

1	a decrease of £1,500,000 capital (RfR 1: Subhead J7, Northern Ireland Prison Service) due to the rephasing of a major capital project	-1,500,000
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	Total change in capital for Estimate	-2,801,000
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2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £28,295,000

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

Part I

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RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	51,704,000
Total additional net resource requirement	51,704,000
Additional net cash requirement	28,295,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Northern Ireland Office on:

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

expenditure on central administrative services; VIP visits to Northern Ireland; the Bloody Sunday Inquiry; Reviews and Commissions arising from the Good Friday Agreement; expenditure on political development and inquiries; expenditure on Victims of the Troubles; expenditure arising from the Northern Ireland Act 1998 and Northern Ireland Act 2000; expenditure arising from elections; forensic services; services related to crime; criminal justice including juvenile justice services; probation and after-care; state pathology; Crown prosecutions and other legal services; compensation schemes; Criminal Injuries Compensation Appeals Panel for Northern Ireland; European Union peace and reconciliation projects; and certain other grants; implementation of the Independent Commission on Police findings; security; the Police Ombudsman; the Independent Assessor of Military Complaints Procedures in Northern Ireland; the Parades Commission; arms decommissioning; policing including expenditure arising from police pensions; prisons including the Prison Service Trust and the Prison Ombudsman; and associated non-cash items.

RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000.

grants to the Northern Ireland Consolidated Fund and transfers of EU funds.

The Northern Ireland Office will account for this Estimate.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Central Administration	43,833	8,513	330	8,183	52,016
RfR 1 - B Ministers	3,586	241	-	241	3,827
RfR 1 - C Political Directorate	20,271	5,520	70	5,450	25,721
RfR 1 - D Public Prosecution Service	26,841	-1,523	-	-1,523	25,318
RfR 1 - E Forensic Science Northern Ireland	1,410	36	-	36	1,446
RfR 1 - F Criminal Justice	25,291	-1,895	-	-1,895	23,396
RfR 1 - G Compensation Agency	31,203	13,992	-95	14,087	45,290
RfR 1 - H Policing and Security	18,347	6,561	-	6,561	24,908
RfR 1 - J Northern Ireland Prison Service	133,373	1,509	-20	1,529	134,902
RfR 1 - K Youth Justice Agency	20,443	-15	-	-15	20,428
Non-budget					
RfR 1 - L Police	882,562	10,410	-	10,410	892,972
RfR 1 - M Police Pensions	45,947	7,092	-	7,092	53,039
RfR 1 - O Probation Board for Northern Ireland	14,106	1,045	-	1,045	15,151
RfR 1 - P Bloody Sunday	5,800	503	-	503	6,303
Total RfR 1		51,989	285	51,704	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	36,508	-2,801	33,707
Non-Operating A in A	4,050	-	4,050
Net cash requirement	11,444,523	28,295	11,472,818

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: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending							
101,803	226,501	1,018,410	1,346,714	12,487	1,334,227	33,707	4,050
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Central Administration							
43,407	12,037	-	55,444	3,428	52,016	8,635	4,000
B Ministers							
3,827	-	-	3,827	-	3,827	-	-
C Political Directorate							
6,645	17,841	1,500	25,986	265	25,721	853	-
D Public Prosecution Service							
1,868	23,536	-	25,404	86	25,318	747	-
E Forensic Science Northern Ireland							
9,407	-	-	9,407	7,961	1,446	421	50
F Criminal Justice							
9,811	9,190	4,410	23,411	15	23,396	12,434	-
G Compensation Agency							
4,459	-261	41,417	45,615	325	45,290	518	-
H Policing and Security							
6,614	16,163	2,141	24,918	10	24,908	82	-
I Policing - Non Severance							
150	1,810	-	1,960	-	1,960	-	-
J Northern Ireland Prison Service							
14,424	120,445	230	135,099	197	134,902	9,741	-
K Youth Justice Agency							
88	20,540	-	20,628	200	20,428	276	-
Non-budget							
L Police							
-	-	892,972	892,972	-	892,972	-	-
M Police Pensions							
-	-	53,039	53,039	-	53,039	-	-
N Police Ombudsman for Northern Ireland							
-	-	7,550	7,550	-	7,550	-	-
O Probation Board for Northern Ireland							
-	-	15,151	15,151	-	15,151	-	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
P Bloody Sunday							
1,103	5,200	-	6,303	-	6,303	-	-

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 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000.								
-	-	10,137,001	10,137,001	-	10,137,001	-	-	-
Non-budget								
A Grants to the Northern Ireland Consolidated Fund								
-		10,137,000	10,137,000	-	10,137,000	-	-	-
B European Institutions (Net)								
-		1	1	-	1	-	-	-
Total for Estimate:								
101,803	226,501	11,155,411	11,483,715	12,487	11,471,228	33,707	4,050	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	£'000 <u>Revised</u>
Net total Resources	11,419,524	51,704	11,471,228
Voted capital items			
Capital expenditure	36,508	-2,801	33,707
<i>Less:</i> non-operating A in A	<u>4,050</u>	<u>-</u>	<u>4,050</u>
Total net voted capital	32,458	-2,801	29,657
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-9,317	511	-8,806
Depreciation	-15,616	-849	-16,465
New provisions and adjustments to previous provisions	-30,855	-27,124	-57,979
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-3,777	2,234	-1,543
Increase(+)/decrease (-) in stock	-13	-	-13
Increase(+)/decrease (-) in debtors	-405	-	-405
Increase(-)/decrease (+) in creditors	-200	-	-200
Use of provisions	<u>52,724</u>	<u>4,620</u>	<u>57,344</u>
Total accruals to cash adjustments	-7,459	-20,608	-28,067
Excess cash to be CFERd	-	-	-
Net cash requirement	11,444,523	28,295	11,472,818

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR1	90,120	
RfR2	-	
Total Net Administration Costs		90,120
Net Programme Costs		
RfR1	1,244,107	
RfR2	10,137,001	
Total Net Programme costs		11,381,108
Total Net Operating Cost		11,471,228
<i>of which:</i>		
Net Resource Outturn		11,471,228
CFERs		-
Non-voted expenditure		-
Resource Budget Outturn		1,457,494

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	11,471,228
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	11,471,228
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	187,129
voted expenditure outside the budget	-10,324,129
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	113,995
unallocated resource provision	9,271
Other adjustments	-
Resource Budget Outturn (Budget)	1,457,494
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,235,529
Annually Managed Expenditure (AME)	221,965

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	29,657
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	35,691
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	65,348
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	65,348
Annually Managed Expenditure (AME)	-

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	Jonathan Phillips, Principal Accounting Officer and Permanent Under Secretary of the Northern Ireland Office
Request for Resources 2	Jonathan Phillips, Principal Accounting Officer and Permanent Under Secretary of the Northern Ireland Office

Jonathan Phillips, as the Principal Accounting Officer (PAO) of the Northern Ireland Office has personal responsibility for the proper presentation of the Northern Ireland Office'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, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Northern Ireland Office.

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 the 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 available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the Northern Ireland Office's policies, aims, and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
Income from licences	2	-
Income from fees and charges	86	-
Recovery of costs	12,393	-
Income from other sales	6	50
Income from sale of land and buildings	-	4,000
Total RfR1	12,487 *	4,050 **
<i>of which: Administration Budgets</i>	<i>11,683</i>	<i>-</i>

* Amount that may be applied as operating appropriations in aid in addition to the net total, arising from recoupment of electoral expenses, shared accommodation costs, receipts from the use of video conference facilities, certain pension contributions, receipts from accruing superannuation liability charges, fees and costs recovered or received for work done for other departments, freedom of information receipts, data protection act receipts; recovery of compensation paid, recovery of costs associated with supplying forensic science services, costs and fees awarded in favour of the crown, receipts arising from arms decommissioning, proceeds of prison occupational services, sale of surplus stores and catering equipment, creche fees, and tuck shop receipts.

** Amount that may be applied as non-operating appropriations in aid include receipts from the sale of residential properties, surplus IT and office equipment.

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Northern Ireland Office Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	36,241	365,515	870,014	1,235,529
<i>of which : Administration Budget</i>	<i>419</i>	<i>90,120</i>	<i>4,973</i>	<i>95,093</i>
Capital	-580	29,657	35,691	65,348
Depreciation*	-1,698	-16,465	-28,627	-45,092
Total	33,963	378,707	877,078	1,255,785

*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

16,537

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