
Department for International Development: Overseas Superannuation

Introduction

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

RfR 1: Overseas superannuation

Increases:

Other Increases

1. To increase gross provision in Section A, within Annually Managed Expenditure, by £10,815,000 arising from the transfer of the liabilities of the Overseas Service Pensions Scheme 1985 to the Department for International Development Overseas Superannuation Estimate.
2. To increase operating Appropriations in Aid by £10,814,000, using income from the sale of the assets of the Overseas Service Pensions Scheme 1985, partially offsetting the increase in gross provision and resulting in a token increase in net provision of £1,000.
3. To increase use of provisions by £1,600,000 in the resource to cash reconciliation to allow for additional payments arising from the transfer of the liabilities of the Overseas Service Pensions Scheme 1985 and higher than expected expenditure on other pensions.
4. To recognise in the resource to cash reconciliation the effect of a decrease in creditors of £1,300,000.

Neutral changes:

1. To make provision for £7,903,000 of excess cash receipts to be surrendered to the Consolidated Fund.
2. As a result of these changes there is an increase in the net cash requirement of £1,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Overseas superannuation 1,000

Total additional net resource requirement 1,000

Additional net cash requirement 1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Department for International Development on:

RfR 1: Overseas superannuation

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

The Department for International Development will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Overseas superannuation**Spending in Annually Managed Expenditure (AME)**

RfR 1 - A Pensions and associated expenditure	70,429	10,815	10,814	1	70,430
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Non-budget

RfR 1 - B Pensions and associated expenditure	83,832	-	-	-	83,832
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Total RfR 1

	10,815	10,814	1
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£000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	-	-	-
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Non-Operating A in A	-	-	-
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Net cash requirement

	116,071	1	116,072
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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: Overseas superannuation								
-	165,080	-	165,080	10,818	154,262	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
A Pensions and associated expenditure								
-	81,248	-	81,248	10,818	70,430	-	-	
Non-budget								
B Pensions and associated expenditure								
-	83,832	-	83,832	-	83,832	-	-	
Total for Estimate:								
-	165,080	-	165,080	10,818	154,262	-	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	154,261	1	154,262
Voted capital items			
Capital expenditure	-	-	-
<i>Less:</i> non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-154,265	-10,815	-165,080
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	1,312	1,312
Use of provisions	116,075	1,600	117,675
Total accruals to cash adjustments	-38,190	-7,903	-46,093
Excess cash to be CFERd	-	7,903	7,903
Net cash requirement	116,071	1	116,072

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts)

	<u>Present provision</u>		<u>New provision</u>	
	<i>Income</i>	<i>Receipts</i>	<i>Income</i>	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	17
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	7,903
Total	-	-	-	7,920

Forecast Combined Revenue Account

		£'000
		2005-06 provision
Income		
Contributions received	4	
Transfers in	10,814	
Other income receivable	-	
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Total Income		10,818
Expenditure		
Increase in liability	10,815	
Interest on scheme liability	70,433	
Other expenditure	-	
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Total Expenditure		81,248
Total Net Operating Cost		70,430
<i>of which:</i>		
Net Resource Outturn		154,262
CFERs		-
Non-voted expenditure		-
Resource Budget Outturn		70,430

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	154,262
<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	-83,832
Net Operating Costs (Accounts)	70,430
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	70,430
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	70,430

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	-
<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	-
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)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
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	Suma Chakrabti, the permanent head of the Department for International Development
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Suma Chakrabti as the Principal Accounting Officer (PAO) of the Department for International Development has personal responsibility for the proper presentation of the Departments' 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 any responsibilities for an assigned RfR, remains in general overall charge of the Department for International Development: Overseas Superannuation.

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 Department for International Development: Overseas Superannuation'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
RfR 1: Overseas superannuation		
Transfers in	10,814	-
Police receipts	4	
Total RfR 1	10,818 *	-
<i>of which: Administration budgets</i>		-

* Amount that may be applied as appropriations in aid in addition to the net total, arising from the bulk transfer value receipts of the Overseas Service Pensions Scheme 1985, and UK police force share of superannuation in respect of retired UK police officers with joint UK and overseas service.

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2005-06 provision	
	Income	Receipts
Miscellaneous (Police TVs not classified as A in A) Δ	-	17
Excess Cash	-	7,903
Total	-	7,920

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	2,915