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## **Section 2. Supplementary Estimates**

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# Department for Education and Skills

## Introduction

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

Amount £

### Changes in resources

**RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills**

#### **Increases:**

#### Take up of End Year Flexibility

Programme Resource 68,855  
 In section A £539,000 for Publicity and Research; in section B £3,790,000 for City Technology Colleges; in section D £1,000,000 for Foundation Degrees, in section F £19,946,000 for SFD Costs, ISB and Prison Education; in section I £3,992,000 for Standards Fund. In Non-Budget £39,588,000 for Modernisation of QCA (6,338,000), Higher Education Funding Council for England Science and Research (£33,000,000), Adult Learning Inspectorate Administration costs (£250,000).

Programme Capital 13,288  
 In section A £10,450,000 for Cybrarian (Capital Modernisation Fund); in section M £839,000 for Secure Acomodation. In Non-Budget £1,999,000 for Qualifications and Curriculum Authority Investment (£820,000), Higher Education Funding Council for England New Technology Institutes (£982,000), Sector Skills Development Agency Investment (£195,000), Investor's in People Investment (£2,000).

#### Transfers from Other Government Departments

Programme Resource 19,479  
 Transfers from the Home Office £500,000 for Community Based Learning for Offenders; from the Department of Health £18,979,000 for Pension Indexation (£5,669,000), Compensation for Clinical Academies (£2,328,000), College Social Work (£482,000), University Medical Schools (10,500,000).

#### Admin Resource

Transfer from the Cabinet Office £337,000 for funding the Parliamentary Council Office. 337

#### Transfer from RfR2

Programme Resource 29,800  
 Transfer from RFR2 section A £29,800,000 for Childcare Support.

#### Transfer from RfR3

Programme Resource 22,196  
 Transfer from RFR3 section A £13,422,000 for Local Area Agreements, section B £8,774,000 for Safeguarding Children Grants.

#### Transfer from Central Funds

Programme Resource 7,000  
 Draw down in section S non-budget of £7,000,000 for Education Maintenance Allowances.

## Introduction (*continued*)

### Revaluation of Provisions

Programme Resource

Revaluation in Section R £184,192,000 of the Student Loan and Student Loan Debt Sale discount rate adjustment. 184,192

### Decreases:

#### Transfers to Other Government Departments

Programme Resource

Transfers to the National Assembly for Wales £4,637,000 for students studying at the Open University; to the Department for Constitutional Affairs £2,743,000 for the implementation of the Children's Adoption Act; to the Home Office £1,000,000 for the Leave to Remain programme; to the Department for Health £125,000 for the Bichard Project. -8,505

#### Transfer to Non-Budget

Programme Capital

Transfer from section J £76,768,000 to non-voted School Credit Approvals. -76,768

### Neutral Changes:

#### Resource Transfers between sections within the Estimate

Movement from section A £44,188,000 to non-budget support for Higher Education; from section B £424,248,000 to section D Higher Education (£4,041,000), to non-budget support for Schools (£226,489,000), Children and Families (£102,181,000), Higher Education (£3,104,000), Further Education and Lifelong Learning (£88,433,000); from section C £186,505,000 to section D Higher education (£78,000), section G support for Students (£7,885,000), section G College of Education Staff (£11,006,000), section I support for schools (£53,000), section L Local Authority Support for Children and Families (£167,483,000); from section F £249,978,000 to non-budget support for Further Education and Lifelong Learning; from section K £70,900,000 to non-budget support for Higher Education. From Departmental Unallocated provision £4,700,000 to non-budget support for Children and Families. -

#### Capital Transfers between sections within the Estimate

Movement from section J £7,617,000 to section M £1,745,000 for Local Authority Support for Children and Families, to non-voted section P £1,099,000 for the National College for Schools Leadership, to non-voted section R £872,000 for the Student Loan Company, to non-voted section S £3,901,000 for the Sector Skill Development Agency (£250,000), the Learning and Skills Council (£3,200,000), Investors in People (£70,000), the Adult Learning Inspectorate (£381,000). -

#### Transfers from Capital to Capital in Resource

Transfer from section J £198,065,000 to section B for City Academies (£125,934,000), for ICT Capital in Schools (£13,369,000); to non-budget section R (£50,000,000) for Teaching Infrastructure through the Higher Education Funding Council for England; to section C for Children and Families (£7,260,000), for Music and Ballet Schools (£1,502,000). -

#### Transfers from Resource to Capital in Resource

Transfer within non-budget section R £128,051,000 for Teaching Infrastructure through the Higher Education Funding Council for England. Within non-budget section S £4,473,000 for Learning and Skills Council Training Grants. -

## Introduction (*continued*)

### Increase / Decrease in gross spending offset by Appropriations In Aid

Increase in gross provision and appropriations in aid on Section A by £197,000 for General Administration from Other Government Departments; Section B by £643,000 for Voluntary Aided School interest receipts (£300,000), Competition Managers (£324,000), Music manifesto (£19,000); Section C £1,575,000 for Positive Activities for Young People (£1,500,000), Strengthening Family Grants (£75,000); Section D £4,000 for administration costs of the United Kingdom Socrates Erasmus Council; Section E £3,586,000 for Department of Trade and Industry Knowledge Transfer funding for Universities; Section F £6,299,000 for European programme receipts (£290,000), Education Qualification receipts (£2,591,000), Adult basic skills receipts from the European Social Fund (£1,935,000), Offender Education (£1,483,000); Section I £6,707,000 for Healthy Schools; Section J £122,000 for receipts for Voluntary Aided schools. Decrease in gross provision and appropriations in aid on Section C £20,000 for Connexions Card; section E £56,900,000 for the Higher Education Innovation Fund.

**Total change in resources for RfR1** 259,874

### RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare

#### Increases:

#### Take up of End Year Flexibility

Programme Resource  
In section A £112,567,000 for Sure Start Current Grants (£74,758,000), Sure Start Capital Grants (£37,809,000). 112,567

Programme Capital  
In section C £58,647,000 for Sure Start Local Authority Capital Grants 58,647

#### Decreases:

#### Transfer to RfR1

Programme Resource  
Transfer to RfR1 section C £29,800,000 for Childcare Support. -29,800

#### Neutral Changes:

#### Transfer to RfR2 Resource Budget

Programme Capital 450  
In section A £450,000 from Sure Start own capital to Local Authority Capital Grants.

#### Resource Transfers between sections within the Estimate

Movement from section A £142,597,000 to section B for Local Authority current grants. 0

**Total change in resources for RfR2** 141,864

### RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund

#### Decreases:

#### Transfer to RfR1

Programme Resource -22,196  
Transfer to RfR1 section L £13,422,000 for Local Area Agreements, section C £8,774,000 for Safeguarding Children Grants.

## Introduction (*continued*)

### Neutral Changes:

#### Resource Transfers between sections within the Estimate

Movement from section A £12,276,000 to section B for Local Authority current grants. 0

**Total change in resources for RfR3 -22,196**

**Total change in resources for Estimate 379,542**

### Changes in capital

Transfer to RfR2 Resource Budget -450

Increase in Voluntary Aided School Receipts -122

Net Decrease in Student Loan Payments -38,816

**Total change in capital for Estimate -39,388**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £184,183,000.

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

**Part I**

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<b>RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills</b>	† 259,874,000
<b>RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare</b>	141,864,000
<b>RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund</b>	† -22,196,000
Total additional net resource requirement	379,542,000
<b>Additional net cash requirement</b>	<b>184,183,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Department for Education and Skills on:

**RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills**

loans to voluntary aided schools; provision relating to former grant-maintained schools; the Assisted Places Scheme; music and dance schools; support for the Academy of Gifted and Talented Youth; City Technology Colleges; support for Academies; the school curriculum and its assessment; education action zones; modernising the teaching profession and other educational services and initiatives; costs associated with the Schools Food Trust; initiatives to write-off student loans to teachers in England and Wales; class size reductions; school and local education authority intervention; specialist schools; excellence in cities and other specific grants to local authorities including those through the Standards Fund; grants in aid to the National College for School Leadership, the Training and Development Agency for Schools, the British Educational Communications and Technology Agency, the Schools Food Trust and the Qualifications and Curriculum Authority, the Adventure Activities Licensing Authority and the Partnerships for Schools; support for the Centre for Information Learning Technology; capital grants to schools including those through the Standards Fund; the youth service; careers guidance and services including through the Connexions Service including working capital grants and loans for capital purchases; higher, further and other education provision and initiatives, including the Higher Education Innovation Fund, the Science and Research Investment Fund and Higher Education Business Fellows; capital grants to music, dance and other schools; payments for education in prisons and other custodial institutions; student grants; the payment of access funds and education maintenance allowances; the provision of training and assessment programmes for young people and adults; initiatives to improve education, training and qualifications arrangements and access to these; the promotion of enterprise, including Career Development Loans; teacher training initiatives; payments to the Department for Work and Pensions to support the UK subscription to the International Labour Organisation and other international educational programmes; payments to support other international education and skills programmes; Costs associated with the UK presidency of the European Union; Millennium Volunteers; payments to the Home Office to support the Criminal Records Bureau and the payment of certain fees; loans and grants to the University for Industry; payments and grants to support personal and children's social services and initiatives relating to teenage pregnancy, hospital and community health services; children, secure accommodation and family policy; family parenting and law grants; Grants in Aid to the Children and Family Court Advisory and Support Service to the Children's Commissioner; payments and grants to support parenting and parenting organisations; grants to support Strengthening Families, Marriages and Relationships; payments to support and develop vetting and barring; support for Pilot Local Area Agreements; investments and loans to support PFI; payments related to the Sector Skills Councils; payments to the Arts Council for Arts and Drama initiatives; payments to the Department of Trade and Industry in connection with the Regional Development Agencies and the London Development Agency; loans and residual costs of the winding up of the Training and Enterprise Councils (TECs); the distribution of residual TEC assets, returned to the Secretary of State

## Part I (*continued*)

under the terms of the TEC Licence, to local voluntary, community and business support organisations; the resource consequences of loans to students, reimbursement of fees for qualifying European Community students and post graduate awards; mandatory student awards and their administration; student loans and the cost of sales of the student loans debt; grants to the Royal Anniversary Trust, grants in aid to the Higher Education Funding Council for England, the Learning and Skills Council, the Adult Learning Inspectorate, Investors in People UK, the Student Loans Company, Office for Fair Access, the Quality Improvement Agency and Sector Skills Development Agency; grant in aid, grants and working capital loans to the General Teaching Council; the Department's own administration and research and payments for the administration of teachers' pensions; information and publicity services; initiatives and programmes supported by the European Union, the Capital Modernisation Fund and with other Government Department's under the Invest to Save Budget; compensation payments to teachers and staff of certain institutions and teachers' medical fees; and associated non-cash items.

### **RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare**

promoting the physical, intellectual and social development of babies and young children; childcare initiatives including quality assurance arrangements, children's centres; the education of under-fives; supporting families and communities; evaluating the programme; Sure Start support for Pilot Local Area Agreements; the administration of the Sure Start Unit; and associated non-cash items.

### **RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund**

payments and grants to support people, funding preventative services, primarily for 5 to 13-year-olds, through local partnerships in line with the objectives of the Children's Fund; funding voluntary groups countering social exclusion and poverty amongst children and young people in line with the objectives of the Children's Fund; supporting voluntary groups and other organisations to promote and facilitate consultation, participation and representation of children and young people including the UK youth Parliament; Children's Fund Support for Pilot Local Area Agreements; monitoring and evaluating the Children's Fund; and associated non-cash items.

The **Department for Education and Skills** will account for this Estimate.

† The reduction in the net resource requirement of RfR 3 of £22,196,000 is offset by a reallocation of those resources to RfR 1

## 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	
<b>RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills</b>						
<b>Spending in Departmental Expenditure Limits (DEL)</b>						
RfR 1 - A	Activities to Support all Functions	397,891	-32,905	-43	-32,862	365,029
RfR 1 - B	Support for Schools and Teachers not through Local Education Authorities	1,330,962	-280,512	643	-281,155	1,049,807
RfR 1 - C	Support for Children and Families not paid through Local Authorities	808,467	-137,789	1,505	-139,294	669,173
RfR 1 - D	Higher Education	113,763	4,039	4	4,035	117,798
RfR 1 - E	Higher Education Receipts from the Department of Trade and Industry	-418,946	-	-53,314	53,314	-365,632
RfR 1 - F	Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes	652,025	-218,089	11,443	-229,532	422,493
RfR 1 - G	Support for Students in Higher Education	1,362,528	7,885	-	7,885	1,370,413
RfR 1 - H	Compensation to Former College of Education Staff	355	11,006	-	11,006	11,361
RfR 1 - I	Current Grants for Local Education Authorities to Support Schools and Teachers	3,860,753	10,752	6,707	4,045	3,864,798
RfR 1 - J	Capital Grants for Local Education Authorities to Support School	2,832,844	-282,328	-	-282,328	2,550,516
RfR 1 - K	Higher Education Fees and Awards through Local Education Authorities	81,500	-70,900	-	-70,900	10,600
RfR 1 - L	Current Grants to Local Authorities to Support Children and Families	127,154	178,162	-	178,162	305,316
RfR 1 - M	Capital Grants to Local Authorities to Support Children and Families	27,228	2,584	-	2,584	29,812
<b>Non-budget</b>						
RfR 1 - P	Grant in Aid to NDPBs supporting Schools	674,066	71,963	-	71,963	746,029
RfR 1 - Q	Grant in Aid to NDPBs supporting Children and Families	92,000	12,000	-	12,000	104,000
RfR 1 - R	Loans to Students and Grant in Aid to NDPBs supporting Higher Education	6,111,741	136,456	-	136,456	6,248,197
RfR 1 - S	Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills and Lifelong Learning	9,953,403	814,495	-	814,495	10,767,898
<b>Total RfR 1</b>			<b>226,819</b>	<b>-33,055</b>	<b>259,874</b>	

## Part II: Changes proposed (*continued*)

						£'000
Resources		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare</b>						
<b>Spending in Departmental Expenditure Limits (DEL)</b>						
RfR 2 - A	Sure Start Current Grants not through Local Authorities	583,980	-107,530	-	-107,530	476,450
RfR 2 - B	LA Current Grants	331,993	190,297	-	190,297	522,290
RfR 2 - C	LA Capital Grants	263,667	59,097	-	59,097	322,764
	<b>Total RfR 2</b>		<b>141,864</b>	<b>-</b>	<b>141,864</b>	
<b>RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund</b>						
<b>Spending in Departmental Expenditure Limits (DEL)</b>						
RfR 3 - A	Children's Fund	68,451	-25,698	-	-25,698	42,753
RfR 3 - B	LA Current Grants	126,802	3,502	-	3,502	130,304
	<b>Total RfR 3</b>		<b>-22,196</b>	<b>-</b>	<b>-22,196</b>	
	<b>Total Changes to RfRs</b>		<b>346,487</b>	<b>-33,055</b>	<b>379,542</b>	

	Present Provision	Change in Provision	£000 New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	2,682,520	-31,266	2,651,254
Non-Operating A in A	482,575	8,122	490,697
<b>Net cash requirement</b>	<b>31,684,613</b>	<b>184,183</b>	<b>31,868,796</b>

## Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
<b>RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills</b>								
255,593	193,651	28,220,759	28,670,003	402,395	28,267,608	2,651,190	490,697	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Activities to Support all Functions								
255,593	47,767	72,151	375,511	10,482	365,029	10,190	575	
B Support for Schools and Teachers not through Local Education Authorities								
-	9,393	1,041,057	1,050,450	643	1,049,807	-	-	
C Support for Children and Families not paid through Local Authorities								
-	36,216	635,032	671,248	2,075	669,173	-	-	
D Higher Education								
-	19,707	98,200	117,907	109	117,798	-	-	
E Higher Education Receipts from the Department of Trade and Industry								
-	-	-	-	365,632	-365,632	-	-	
F Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes								
-	79,894	359,346	439,240	16,747	422,493	-	-	
G Support for Students in Higher Education								
-	-	1,370,413	1,370,413	-	1,370,413	-	-	
H Compensation to Former College of Education Staff								
-	-	11,361	11,361	-	11,361	-	-	
<i>Capital Modernisation Fund Supporting all Functions</i>								
-	-	-	-	-	-	-	-	
<i>Support for Local Authorities</i>								
I Current Grants for Local Education Authorities to Support Schools and Teachers								
-	-	3,871,505	3,871,505	6,707	3,864,798	-	-	
J Capital Grants for Local Education Authorities to Support School								
-	-	2,550,516	2,550,516	-	2,550,516	-	122	
K Higher Education Fees and Awards through Local Education Authorities								
-	-	10,600	10,600	-	10,600	-	-	
L Current Grants to Local Authorities to Support Children and Families								
-	-	305,316	305,316	-	305,316	-	-	
M Capital Grants to Local Authorities to Support Children and Families								
-	-	29,812	29,812	-	29,812	-	-	
<i>Capital Modernisation Fund through Local Education Authorities</i>								
-	-	-	-	-	-	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central government spending</i>								
N Education Maintenance Allowance's not through Local Education Authorities								
-	-	-	-	-	-	-	-	

**Part II: Revised subhead detail including additional provision (cont.)**

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
<i>Support for Local Authorities</i>							
O Education Maintenance Allowance's through Local Education Authorities							
-	-		-	-	-	-	-
<b>Non-budget</b>							
P Grant in Aid to NDPBs supporting Schools							
-	-	746,029	746,029	-	746,029	-	-
Q Grant in Aid to NDPBs supporting Children and Families							
-	-	104,000	104,000	-	104,000	-	-
R Loans to Students and Grant in Aid to NDPBs supporting Higher Education							
-	-	6,248,197	6,248,197	-	6,248,197	2,641,000	490,000
S Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills and Lifelong Learning							
-	674	10,767,224	10,767,898	-	10,767,898	-	-
<b>RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare</b>							
-	762	1,329,207	1,329,969	8,465	1,321,504	50	-
<b>Spending in Departmental Expenditure Limits (DEL)</b>							
<i>Central Government spending</i>							
A Sure Start Current Grants not through Local Authorities							
-	762	484,153	484,915	8,465	476,450	50	-
<i>Support for Local Authorities</i>							
B LA Current Grants							
-	-	522,290	522,290	-	522,290	-	-
C LA Capital Grants							
-	-	322,764	322,764	-	322,764	-	-
<b>RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund</b>							
-	3,508	169,549	173,057	-	173,057	14	-
<b>Spending in Departmental Expenditure Limits (DEL)</b>							
<i>Central Government spending</i>							
A Children's Fund							
-	3,508	39,245	42,753	-	42,753	14	-
<i>Support for Local Authorities</i>							
B LA Current Grants							
-	-	130,304	130,304	-	130,304	-	-
<b>Total for Estimate:</b>							
255,593	197,921	29,719,515	30,173,029	410,860	29,762,169	2,651,254	490,697

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>29,382,627</b>	<b>379,542</b>	<b>29,762,169</b>
<b>Voted capital items</b>			
Capital expenditure	2,682,520	-31,266	2,651,254
<i>Less: non-operating A in A</i>	<u>482,575</u>	<u>8,122</u>	<u>490,697</u>
<b>Total net voted capital</b>	<b>2,199,945</b>	<b>-39,388</b>	<b>2,160,557</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,970	-	-3,970
Depreciation	-9,175	-	-9,175
New provisions and adjustments to previous provisions	617,915	-184,192	433,723
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-520,675	-11,735	-532,410
Increase(+)/decrease (-) in stock	44	-44	-
Increase(+)/decrease (-) in debtors	-426	40,000	39,574
Increase(-)/decrease (+) in creditors	10,363	-	10,363
Use of provisions	<u>7,965</u>	<u>-</u>	<u>7,965</u>
<b>Total accruals to cash adjustments</b>	<b>102,041</b>	<b>-155,971</b>	<b>-53,930</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>31,684,613</b>	<b>184,183</b>	<b>31,868,796</b>

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

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR1	252,085	
RfR2	-	
RfR3	-	
<b>Total Net Administration Costs</b>		<b>252,085</b>
<b>Net Programme Costs</b>		
RfR1	28,015,523	
RfR2	1,321,504	
RfR3	173,057	
<b>Total Net Programme costs</b>		<b>29,510,084</b>
<b>Total Net Operating Cost</b>		<b>29,762,169</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>29,762,169</b>
CFERs		-
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>27,066,917</b>

## Notes to the Estimate

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

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>29,762,169</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>29,762,169</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-2,903,092
capital grants financed from the Capital Modernisation Fund	-10,450
European Union income and related adjustments	-
voted expenditure outside the budget	435,174
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-216,884
unallocated resource provision	-
Other adjustments	-
<b>Resource Budget Outturn (Budget)</b>	<b>27,066,917</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	26,491,431
Annually Managed Expenditure (AME)	575,486

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>2,160,557</b>
<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	15,270
capital grants to local authorities	2,903,092
capital grants financed by the Capital Modernisation Fund	10,450
local authority credit approvals	1,383,970
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-2,151,000
<b>Capital Budget Outturn (Budget)</b>	<b>4,322,339</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,318,399
Annually Managed Expenditure (AME)	3,940

## Notes to the Estimate (*continued*)

### Explanation of Accounting Officer responsibilities

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

<b>Request for Resources 1</b>	Mr David Bell, Permanent Head of the Department
<b>Request for Resources 2</b>	Mr David Bell, Permanent Head of the Department
<b>Request for Resources 3</b>	Mr David Bell, Permanent Head of the Department

David Bell as the Principal Accounting Officer (PAO) of the Department for Education and Skills 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 Education and Skills.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the Department for Education and Skills' 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	Non operating
	Operating A in A	operating A in A
<b>RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills</b>		
European and International receipts	3,774	-
Career Development Loans	220	-
Publicity and evaluation	506	-
General Administration receipts	1,576	-
Rent from minor occupiers	1,910	-
Admin receipts - land	-	319
Admin receipts - other	-	256
Repayment of principal on student loans	-	490,000
Higher Education Business Fellows (from DTI)	46	-
Educational Qualification Receipts	3,640	-
Higher Education Innovation Fund (from DTI)	65,100	-
Connexions Card receipts	1,020	-
Research Investment Fund	296,900	-
Miscellaneous programme receipts	343	-
General Administration programme receipts	6,490	-
UK Presidency of EU receipts	97	-
Programme receipts	2,498	-
Voluntary aided school interest receipts	300	-
Voluntary aided school loan repayments	-	122
Knowledge Transfer for Universities (from DTI)	3,586	-
ALI Inspection Receipts (from DWP)	4,624	-
School Standards Fund Receipts	6,707	-
Offenders Education from Home Office	1,483	-
Support for Young People from Home Office	1,500	-
Strengthening Families from Home Office	75	-
<b>Total RfR1</b>	<b>402,395 *</b>	<b>490,697 **</b>

\* Amount that may be applied as appropriations in aid in addition to the net total, arising from European Fast Stream receipts; repayment of career development loans; repayments of working capital loans; receipts in respect of Career Development Loans default recoveries by banks; sale of National Record of Achievement products; receipts in connection with Childcare Link; Training and Enterprise Councils (TECs) contributions towards the cost of Individual Learning Accounts; receipts covering the return of assets from TECs as part of their winding-up process; recovery of salaries, etc. for seconded staff; receipts from careers service conferences; receipts relating to Skills Training Agency, Qualifications and Curriculum Authority properties and surplus Funding Agency for Schools and TEC properties; receipts from the sale of surplus properties; receipts from outside organisations (including the EC) in respect of advertising and publicity activities and materials; sale of research publications; repayments of grants overpaid to voluntary aided and special schools in previous years, including repayment of proceeds of sale; receipts from the European Social Fund to cover departmental programmes supported by the EC; general administration receipts, including those in connection with services provided to Sure Start; profits on the sale of surplus equipment and other assets; repayment of fees and awards overpaid to Higher Education students; receipts from the Department of Trade and Industry in connection with the Higher Education Reach Out to Business and the Community Fund, the Higher Education Innovation Fund, Higher Education Business Fellows, Sector Challenge, Knowledge Transfer for Universities and the Science and Research Investment Fund; from the Home Office as a contribution to the Home Start programme; sales of Connexions priced publications; Offender Education Receipts; Activities for Young People receipts; Sponsorship Funding; rent income from three domestic properties on the estate of the European School at Culham, Oxfordshire; contributions from the National Assembly for Wales towards Key Skills; contributions from the National Assembly for Wales and the Scottish Executive for dance and drama students; contributions from the Scottish Executive, the National Assembly for Wales, and the Northern Ireland Executive towards Millennium Volunteers and miscellaneous European Education programmes; contributions from the National Assembly for Wales and the Northern Ireland Executive for the International Mathematics Olympiad; annual maintenance fee from the Northern Ireland Executive for the National Professional Qualification for Headship; contributions from other government departments and other sources towards the costs of promoting UK education and training overseas; International Receipts; Schools Standard Fund receipts; Music Manifesto Champion; Food Standards Agency receipts; and of research and miscellaneous services and projects; inspection of Jobcentre Plus from the Department of Work and Pensions; Strengthening Families receipts from the Home Office.

\*\* Amount that may be applied as non-operating appropriations in aid, arising from the repayment of principal on student loans; repayment of loans to former grant-maintained schools and discretionary loans paid under Schedule 3 of the School Standards and Framework Act 1998 and from the sale of surplus land, buildings and equipment.

**Analysis of appropriations in aid (A in A) (continued)**

	£'000	
	2005-06 Provision	Non
	Operating	operating
	<u>A in A</u>	<u>A in A</u>
<b>RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare</b>		
European Social fund receipts	8,175	-
Scottish Executive Contribution to Childcare Information Services	290	-
<b>Total RfR2</b>	<b>8,465 *</b>	<b>- **</b>
* Amount that may be applied as appropriations in aid in addition to the net total, arising from European Social Fund receipts and Scottish Executive Childcare Information Service receipts.		
<b>Total A in A</b>	<b>410,860</b>	<b>490,697</b>
<i>of which: Administration budgets</i>	<i>3,508</i>	<i>-</i>

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department of Education and Skills (excluding OFSTED) Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	390,798	8,982,503	17,508,928	26,491,431
<i>of which :Administration Budget</i>	337	252,085	-	252,085
Capital	-126,130	2,924,081	1,394,318	4,318,399
Depreciation*	10,270	-9,175	-25,326	-34,501
Total	274,938	11,897,409	18,877,920	30,775,329

\*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  
901,557

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:

Subhead	Service		£'000
D	Grants to the Royal Anniversary Trust to cover costs associated with the Higher and Further Education Awards Scheme (Queen's Anniversary Prizes)	■	167
C	Grants to support Marriages and Relationships	■	900

## Notes to the Estimate (*continued*)

### Grants in Aid

Details of grants in aid made by the Department to non-departmental public bodies (NDPBs):

Non-Departmental Public Body		£ million
Adult Learning Inspectorate (ALI)	♥	26.1
Adventure Activity Licensing Authority		0.5
British Educational Communications and Technology Agency (BECTA)	♦	12.5
Children's Commissioner	♥	3.0
Higher Education Funding Council for England (HEFCE)	♥	6,625.0
Children and Family Court Advisory and Support Service	♥	101.0
Investors in People UK (IIP UK)	♦	5.7
Learning and Skills Council	♥	10,516.9
National College for School Leadership	♦	93.6
Office for Fair Access	♥	0.4
Partnerships for Schools		3.5
Qualifications and Curriculum Authority	♥	151.0
Quality Improvement Agency		-
Sector Skills Development Agency	♦	67.4
Student Loans Company	♦	58.8
Training and Development Agency for Schools	♥	634.2