

Ministry of Justice

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: To promote the development of a modern, fair, cost effective and efficient system of justice for all			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
Subhead A2	Reform and Modernisation Programme (RAMP)	30,000,000	
Subhead A2	Modernisation Fund	70,000,000	
Subhead A2	Election Funding	28,000,000	
Subhead A2	Additional funding claimed under EYF	52,000,000	
Subhead S2	Continued work on the Coordinated Online Register of Elections (CORE). This is a capital grant scored as CDEL in budgets.	2,000,000	
<u>Machinery of Government changes</u>			
On 29th March 2007 the Prime Minister announced the creation of the Ministry of Justice. The new Ministry will incorporate all aspects of the Department for Constitutional Affairs together with a number of areas acquired from the Home Office most notably, Prisons and Probation. The Machinery of Government change formally took effect from 9th May 2007.			
Transfers from Home Office totalling £5,056,283,000 as follows:			
Section A	i) Central services.	8,936,000	
Section M	ii) Criminal Justice Reform.	151,851,000	-20,879,000
Section N	iii) National Offender Management Service HQ.	1,106,134,000	-52,415,000
Section N	iv) National Offender Management Service HQ.	30,000,000	
Section O	v) Prisons - Private Sector.	248,029,000	
Section P	vi) Prisons – Public Sector.	2,314,492,000	-329,300,000
Section Q	vii) National Probation Service HQ.	57,708,000	
Section U	viii) Parole Board.	7,789,000	
Section V	ix) National Probation Service (local Area Boards).	876,350,000	
Section W	x) Youth Justice Board.	424,794,000	
Section X	xi) Criminal Injuries Compensation Authority.	223,789,000	
Section Y	xii) Criminal Cases Review Commission.	6,815,000	
Section Z	xiii) Loan charges.	2,190,000	
Subhead A1	Transfer of responsibility for the Privy Council Secretariat and the Office of the Judicial Committee of the Privy Council, which took effect from 1 April 2007, totalling £2,268,000.	2,308,000	-40,000
Subhead A1	Transfer of responsibility of the inspection of CAF/CASS (from HMICA to OFSTED) to Department for Children Schools and Families (DCSF), which took effect from 1 April 2007, totalling £485,000.		-485,000

Introduction (*continued*)

Transfers of budgetary cover to/from other government departments

Transfers from the Home Office totalling £43,164,000 as follows:

Subhead C2	i) Violent Crime Reduction Act	92,000	
Subhead N2	ii) Violent Crime Reduction Act	1,291,000	
Subhead H3	iii) Violent Crime Reduction Act	178,000	
Subhead A2	iv) Expenditure from Parliamentary Counsel Office	685,000	
Subhead W3	vi) CJIT funding for Youth Justice Board.	6,683,000	
Subhead M2	vii) CJIT funding for OCJR.	2,563,000	
Subhead W3	viii) CJIT funding for YJB	4,967,000	
Subhead A3	ix) CJIT funding for CPS	2,470,000	
Subhead N2	x) NPIA to NOMS in line with the 2007/08 Delivery Plan for the OMNI contract.	25,000	
Subhead N2	xi) NPIA to NOMS in line with the 2007/08 Delivery Plan for the Shared Access project.	130,000	
Subhead N2	xii) NPIA to NOMS in line with the 2007/08 Delivery Plan for the O-NOMIS project.	500,000	
Subhead N2	xiii) NPIA to NOMS in line with the 2007/08 Delivery Plan for the ViSOR project.	5,700,000	
Subhead N2	xiv) NPIA to NOMS in line with the 2007/08 Delivery Plan for the C-NOMIS project.	15,320,000	
Subhead W3	xv) capital expenditure for CJIT for Youth Justice Board.	3,960,000	
Subhead N2	Transfer to Home Office Property Group		-1,400,000

Transfers to the Department for Innovation, Universities and Skills totalling £5,266,000 as follows:

Subhead P2	i) Police ICT Academy (PICTA) costs.	230,000	
Subhead N2	ii) Prisoner Education costs.		-6,270,000
Subhead N2	iii) Learning and skills costs for Immigration Removal Centres	774,000	

Transfers to the Crown Prosecution Service (CPS) totalling £14,831,000 as follows:

Subhead M2	i) Local Criminal Justice Boards.		-1,291,000
Subhead A2	ii) CJIT.		-12,783,000
Subhead A2	iii) Progress.		-539,000
Subhead C2	iv) Violent Crime Reduction		-218,000
Subhead N2	Transfer from NOMS to Department of Health in relation to Prisoner Healthcare costs.		-635,000
Subhead V3	NOMS to Probation Local Area Boards in respect of capital expenditure for vehicles and capital equipment	3,000,000	
Subhead A2	Transfer to the Department for Communities and Local Government in respect of the Commission for Equality and Human Rights.		-2,225,000
Subhead P2	Transfer from HMPS Public to Welsh assembly for Health Funds for Wales.		-245,000

Other changes in DEL spending

Subhead A2	Uplift in CSR07 baseline.	192,000,000	
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Other changes

Transfers to/from non-voted spending

Subhead A2	Transfer of non-voted non cash from NDPB's to align with initial board delegations	168,001,000	
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Introduction (continued)

<u>Changes in non-budget spending</u>			
Subhead I3	Increase in grant to LSC.	30,000,000	
Subhead K3	Increase in grant to ICO.	1,000	
 <u>Resource transfers within the Request for Resources</u>			
	A2 to L3 for increase in grant to JAC	70,000	-70,000
	C1 to A1 to align with Management Board delegation	10,324,000	-10,324,000
	D1 to A1 to align with Management Board delegation	11,098,000	-11,098,000
	F1 to A1 to align with Management Board delegation	39,757,000	-39,757,000
	C1 to A1 to align with Management Board delegation	3,574,000	-3,574,000
	D1 to A1 to align with Management Board delegation	5,172,000	-5,172,000
	F1 to A1 to align with Management Board delegation	28,922,000	-28,922,000
	D1 to A1 to align with Management Board delegation	379,000	-379,000
	F1 to A1 to align with Management Board delegation	4,375,000	-4,375,000
	D1 to A1 to align with Management Board delegation	17,210,000	-17,210,000
	A1 to F1 in respect of Admin cost of capital	98,000	-98,000
	F1 to A1 in respect of Admin non-cash	173,000	-173,000
	A2 to C2 to align with Management Board delegation	125,052,000	-125,052,000
	A2 to D2 to align with Management Board delegation	10,830,000	-10,830,000
	A2 to F2 to align with Management Board delegation	62,836,000	-62,836,000
	A2 to C2 to align with Management Board delegation	97,585,000	-97,585,000
	A2 to F2 to align with Management Board delegation	144,488,000	-144,488,000
	A2 to C2 and D2 to align with Management Board delegation	5,035,000	-5,035,000
	A2 and C2 to D2 and F2 to align with Management Board delegation	5,329,000	-5,329,000
	A2 to C2 to align with Management Board delegation	37,900,000	-37,900,000
	To A2 from various in respect of provisions to align with	1,242,348,000	-1,242,348,000
	C2 to A2 and D2 to align with Management Board delegation	208,699,000	-208,699,000
	F2 to A2 and D2 to align with Management Board delegation	140,030,000	-140,030,000
	A3 to A2 reallocation of grant previously misanalysed	75,000	-75,000
	C2 to A2 in respect of funding of £280,000 for Energis/C&W Selbourne Aramis Link and £24,000 for the Welsh Language Unit .	304,000	-304,000
	C2 to A2 in respect of funding for Prison Video Links IT Maintenance	1,071,000	-1,071,000
	A2 to C2 in respect of depreciation of the Live Libra Assets	2,418,000	-2,418,000
	C2 to A2 in relation to transfer of costs relating to the running of the CFO.	14,600,000	-14,600,000
	C5 to A5 in relation to transfer of income relating to the running of the CFO.	16,000,000	-16,000,000
	A1 to F1 in relation to the reallocation of Aramis R&A Costs from DCA to Tribunals	410,000	-410,000
	A1 to C1 in relation to transfer of Staff from PMD(Stratgy) to HMCS and associated costs	123,000	-123,000
	A2 to F2 in respect of running costs of Claims Management Services Tribunal	60,000	-60,000
	A2 to C2 in relation to Libra costs.	17,500,000	-17,500,000
	A2 to C2 in respect of increased costs dealing with Single Asylum Fund	1,055,000	-1,055,000
	A2 to C2 in relation to Isleworth Improvement project following Middlesex Guildhall becoming Supreme Court	1,009,000	-1,009,000
	A2 to F2 in relation to the allocation of SAF budget to Tribunals	4,200,000	-4,200,000
	A1 to G1 in respect of the Diana Princes of Wales inquest	225,000	-225,000
	A2 to C2 in respect of PCOL Marketing Costs	25,000	-25,000
	A2 to C2 in respect of increase in provision for pension by analogy pension scheme	165,000	-165,000
	A1 to F1 in respect of funding for FDA president and GEC staff	22,000	-22,000
	A1 to D1 in respect of funding for FDA president and GEC staff	27,000	-27,000

Introduction (continued)

C2 to M2 in respect of funding for LCJB's	1,000,000	-1,000,000
A2 and A5 in relation to Victim surcharge	16,000,000	-16,000,000
N2 to P2 towards the cost of the Offender Management Model implementation for the Operational Directorate.	4,316,000	-4,316,000
W3 to N2 re contribution to cost of Juvenile Cohort Study 2007-08	250,000	-250,000
N2 to P2 of £26,613,000 to cover one-off and ongoing costs for additional prison places that are being built as part of the Capacity Programme.	26,313,000	-26,313,000
N2 to P2 to cover one-off and ongoing costs for additional prison places that are being built as part of the Capacity Programme - High Security	1,401,000	-1,401,000
N2 to P2 to fund Contractors Escorts and Maintenance costs - Operations.	4,731,000	-4,731,000
N2 to P2 to fund Contractors Escorts and Maintenance cost - High Security.	2,089,000	-2,089,000
N2 to V3 to provide funding to Cheshire Probation Board for North West Pathfinder Projects.	107,000	-107,000
V3 to N2 to provide funding to HM Inspectorate of Probation for Risk of Harm Assessments.	100,000	-100,000
N2 to V3 to provide funding to local area boards for Probation Service Officers induction.	800,000	-800,000
N2 to V3 to provide funding to local area boards for Effective Practice Training Managers.	600,000	-600,000
N2 to P2 for Operational Policy Directorate- OPRU	1,432,000	-1,432,000
N2 to P2 for Operational Policy Directorate - Sentencing Council Guidelines	1,080,000	-1,080,000
N2 to P2 for Operational Policy Directorate - Chaplaincy HQ	866,000	-866,000
P2 to W3 to cover increase in superannuation costs during 2005-06	3,290,000	-3,290,000
P2 to W3 for utilities inflation during 2005-06	418,000	-418,000
P2 to W3 to enhance regimes of 120 Street Crime Contingency Beds at Lancaster Farms YOI 2006-07	1,555,000	-1,555,000
P2 to W3 Baseline Resource funding (Programme) to enhance regimes of 120 Street Crime Contingency Beds at Lancaster Farms	2,621,000	-2,621,000
P2 to W3 to enhance regimes at Werrington YOI 2006-07	135,000	-135,000
P2 to W3 to enhance regimes at Wetherby YOI 2006-07	269,000	-269,000
P2 to W3 to fund HMPS Quantum project 2006-07	439,000	-439,000
N2 to P2 for Dangerous Severe Personality Disorder (DSPD)	800,000	-800,000
N2 to P2 for Dangerous Severe Personality Disorder (DSPD) transfers for HMPS - High Security	12,609,000	-12,609,000
N2 to P2, reduced after discussions with Public Protection Licence Release (PPLR) and Alan Sharp - HMPS. The Bail Accommodation Project was introduced in June 2007 by the NOMS to enable Courts and Prison Governors to make greater use of bail and early release. This service is provided on a regional basis by ClearSprings Ltd and the costs relate to the Guaranteed Occupancy levels and an estimate of users. This transfer is to cover public sector prison costs.	1,015,000	-1,015,000
N2 to P2 NOMS for funding IPP Prisoners reduced to £2,900,000 after discussions with Public Protection Licensed Release.	2,900,000	-2,900,000
N2 to V3 NOMS to provide funding to local area boards for the Bail Accommodation Project. The Bail Accommodation Project was introduced in June 2007 by NOMS to enable Courts and Prison Governors to make greater use of bail and early release. This service is provided on a regional basis by ClearSprings Ltd and the costs relate to the Guarantee Occupancy levels and an estimate of users. This transfer is to cover probation costs.	333,000	-333,000

Introduction (continued)

<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section A	Reduction in secondee income	1,370,000	-1,370,000
Section D	Increase in remissions income in PGO	1,530,000	-1,530,000
Section C	Increase in fine income	99,000,000	-99,000,000
Section C	Increase in compensation claim for early termination of lease	415,000	-415,000
Section C	Increase in income received from the sale of CUPID properties	841,000	-841,000
Section C	Increase in respect of Asset Recovery Incentive Scheme	3,830,000	-3,830,000
Section C	Increase in fine income	10,000,000	-10,000,000
Section A	Increase in Claims Management Regulation income . Equivalent budget is also required to cover increased CMR running costs and VAT charges on invoices.	800,000	-800,000
Section F	Increase in appropriations in aid	905,000	-905,000
		<u>Total</u>	<u>8,548,488,000</u>
		Total change in resources for RfR1	5,653,030,000

RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Other changes</u>			
Subhead D3	Increase in grant payable to the Scottish Consolidated Fund.	331,939,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section A	Increase in rental income.	635,000	-635,000
<u>Resource transfers within the Request for Resources</u>			
Subhead A1	D3 to A1 in respect of IT costs.	56,000	-56,000
		<u>Total</u>	<u>332,630,000</u>
		Total change in resources for RfR2	331,939,000

RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
Subhead A1	Transfer from Parliamentary Council Office	226,000	
<u>Other changes</u>			
<u>Transfers to/from non-voted spending</u>			
Subhead A1	Transfer from Welsh Assembly to Wales Office for impairment charges	220,000	
Subhead B3	Increase in grant payable to the Wales Consolidated Fund.	128,417,000	

Introduction (*continued*)

Resource transfers within the Request for Resources

B3 to A1 (from Welsh Assembly to Wales Office) for increased Lord Lieutenant's Costs	30,000	-30,000
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<u>Total</u>	128,893,000	-30,000
Total change in resources for RfR3		128,863,000

Total change in resources for Estimate		6,113,832,000
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Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Changes related to movements in budgets

Machinery of Government changes

Transfers from Home Office totalling £540,344,000 as follows:

Subhead A7	Central services.	10,000,000	
Subhead M7	Criminal Justice Reform.	37,441,000	
Subhead N7	National Offender Management Service HQ.	474,799,000	
Subhead P7	Prisons - Public Service.	16,304,000	
Subhead U7	Probation Service.	1,800,000	

Subhead A7	Transfer of responsibility for the Privy Council Secretariat and the Office of the Judicial Committee of the Privy Council.	87,000	
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Take up of DEL End-Year Flexibility

An increase in subhead A7 (RfR1) in respect of Reform and Modernisation Programme (RAMP)	30,000,000	
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Other changes in DEL spending

Subhead A7	CSR07 uplift.	50,000,000	
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Transfers of budgetary cover to/from other government departments

Subhead M7	CJIT transferred from Home Office.	8,220,000	
Subhead M7	CJIT transferred from Home Office	9,262,000	

Transfer to/from non-voted spending

Transfer from subhead N7 to Subhead V3 to provide funding to local area boards for vehicles and capital equipment.	-3,000,000	
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Other changes

Transfers within the Estimate

All within RFR1

A7 to M7 in relation to capital expenditure on CJIT	3,144,000	-3,144,000
M7 to N7 in relation to transferred of costs of C-NOMIS from OCJR to NOMS	12,000,000	-12,000,000
£155,000 from subhead M7 to N7 in relation to transferred of Costs of Visor Funding from OCJR to NOMS	155,000	-155,000
M7 to A7 in relation to transfer of capital costs relating to Richard 7 funding	6,310,000	-6,310,000
A7 to N7 in relation to capital costs for CJIT	29,110,000	-29,110,000
A7 to C7 to align with Management Board delegation	33,600,000	-33,600,000

Introduction (*continued*)

C8 to A8 to align with Management Board delegation	11,300,000	-11,300,000
A7 to F7 to align with Management Board delegation	500,000	-500,000
A7 to C7 in relation to Isleworth improvement project following the decision to turn Middlesex Guildhall becoming Supreme Court	16,470,000	-16,470,000
A7 to C7 in relation to a slippage in several court building projects	33,000,000	-33,000,000
A7 to D7 in relation to IT costs related to the Mental Capacity Act	1,000,000	-1,000,000

<u>Total</u>	781,502,000	-146,589,000
Total change in capital for Estimate		634,913,000

- As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £5,993,854,000.
- Symbols are explained in the Introduction to this booklet.

Ministry of Justice †

Part I

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RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	††	5,653,030,000
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government		331,939,000
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales		128,863,000
Total additional net resource requirement		6,113,832,000
Additional net cash requirement	††	5,993,854,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Ministry of Justice on:

RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all

HQ and associated offices; administration of the Judicial Pension Scheme, administration of the Office of the Information Commissioner and the Judicial Appointments Commission; HM Courts Service and associated activities including fine income netting off and asset recovery incentive scheme, pre-1990 loan charges debt payments, Justices Clerks' Societies, grants in relation to the Debt Programme and Better Dispute Resolution project, Wider Markets Initiatives; Section 31 grants to Local Authorities; the Public Guardianship Office.

Official Solicitor and Public Trustee; Courts Funds Office; Legal Aid paid through the Criminal Defence Service and Community Legal Service; administration for the Legal Services Commission; payment of grant and grant in aid to organisations promoting Ministry of Justice objectives including NDPBs; administration of central government tribunals via the Tribunals Service; costs paid from central funds; the Appellate Committee of the House of Lords and the Judicial Committee of the Privy Council; costs in relation to constitutional offices; democracy and constitution, human rights workshops and surveys; promotion of information rights; electoral policy; research into constitution settlement/devolution; European and international judicial policy; EU Presidency events.

Judicial Exchange programmes; research on behalf of the British Institute of International and Competition Law; Constitutional education programmes within schools; costs in relation to the policy on the conduct of all national elections and referendums in the UK and local elections; referendums in England and Wales (except mayoral Referendums in Wales); proposals under the Electoral Administration Bill, including the establishment and maintenance of the Co-ordinated on-line record of Electors (CORE); funding of voting pilots policy on coroner and cremation services; support to Local Authorities for additional coroner work; payments in relation to the royal inquest; applications for exhumations, cremating repatriated remains and the closing of burial grounds; other legal services; joint initiatives in the Criminal Justice System, Criminal Policy and Programmes including offender programmes and the National Probation Service; prevention and treatment of drug abuse; crime reduction and prevention; criminal injuries compensation; counter terrorism and intelligence.

Payments to local authorities in respect of local area agreements; secure accommodation placements; prisons; Prison Service Colleges; the Parole Board; Youth Justice Board; grants to 'Prisoners abroad'; welfare to work schemes; payments to other government departments; and associated non-cash items.

RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government

Administration; the Boundary Commission for Scotland, payments of a grant to the Scottish Consolidated Fund; and associated non-cash items.

RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales

Administration; Lord Lieutenants' expenditure; payments of a grant to the Welsh Consolidated Fund; and associated non-cash items.

The **Ministry of Justice** will account for this Estimate.

† In the Main Estimate, this Estimate was titled 'Department for Constitutional Affairs'.

†† 1) The Judicial Committee of the Privy Council and the Privy Council Secretariat were transferred from the Privy Council Office on 1 April 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement for RfR1 is increased by £2,268,000;
- b) operating appropriations in aid for RfR1 are increased by £40,000;
- c) the net cash requirement is increased by £2,320,000.

†† 2) The Operations of The Office for Criminal Justice Reform, the Criminal Injuries Compensation Authority and the Criminal Case Review Commission. The National Offender Management Service, Prisons Public & Private, The National Probation Service including Local Area Boards, The Youth Justice Board and Parole Board were transferred from the Home Office on 9 May 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement for RfR1 is increased by £5,056,283,000;
- b) operating appropriations in aid for RfR1 are increased by £402,594,000
- c) the net cash requirement is increased by £5,171,011,000.

†† 3) The operations of Her Majesty's Court Inspectorate in relation to Children & Family Court Advisory and Support Service (CAFCASS) were transferred to the Office for Standards in Education, Children's Services and Skills on 1 April 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement for RfR1 is decreased by £485,000;
- b) the net cash requirement is decreased by £485,000.

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: To promote the development of a modern, fair, cost effective and efficient system of justice for all					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR1 - A Headquarters and Associated Offices	432,467	551,929	32,840	519,089	951,556
RfR1 - C HM Courts Service	961,130	119,280	98,086	21,194	982,324
RfR1 - D Office of the Public Guardian and Court of Protection	1,100	1,557	1,530	27	1,127
RfR1 - F Tribunals Service	299,622	4,212	905	3,307	302,929
RfR1 - G Princess of Wales Inquest	515	-145	-	-145	370
Non-Budget					
RfR1 - H Legal Services Commission: Administration	116,800	5,178	-	5,178	121,978
RfR1 - I Criminal Defence Service	1,172,300	-19,054	-	-19,054	1,153,246
RfR1 - J Community Legal Service	860,000	36,354	-	36,354	896,354
RfR1 - K Information Commissioner's Office	4,999	1	-	1	5,000
RfR1 - L Judicial Appointments Commission	5,700	1,430	-	1,430	7,130
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR1 - M Criminal Justice Reform	-	154,123	20,879	133,244	133,244
RfR1 - N National Offender Management Service HQ	-	1,090,527	52,415	1,038,112	1,038,112
RfR1 - O Prisons Private Sector	-	248,029	-	248,029	248,029
RfR1 - P Prisons Public Sector	-	2,365,302	329,300	2,036,002	2,036,002
RfR1 - Q Probation HQ	-	57,708	-	57,708	57,708
<i>Support to local authorities</i>					
RfR1 - R CORE capital grants to local authorities	-	2,000	-	2,000	2,000
Non-Budget					
RfR1 - S Parole Board	-	7,789	-	7,789	7,789
RfR1 - T National Probation Services (local area boards)	-	881,090	-	881,090	881,090
RfR1 - U Youth Justice Board	-	448,881	-	448,881	448,881
RfR1 - V Criminal Injuries Compensation Authority	-	223,789	-	223,789	223,789

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
RfR1 - W Criminal Cases Review Commission	-	6,815	-	6,815	6,815
RfR1 - X Loan Charges	-	2,190	-	2,190	2,190
Total RfR 1		6,188,985	535,955	5,653,030	
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 2 - A Scotland Office	4,368	691	635	56	4,424
RfR 2 - D Grant payable to the Scottish Consolidated Fund	24,613,393	331,883	-	331,883	24,945,276
Total RfR 2		332,574	635	331,939	
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government Spending</i>					
RfR 3 - A Wales Office	3,913	476	-	476	4,389
Non-Budget					
RfR 3 - B Grant payable to the National Assembly for Wales	11,859,826	128,387	-	128,387	11,988,213
Total RfR 3		128,863	-	128,863	
Total Changes to RfRs		6,650,422	536,590	6,113,832	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	167,735	634,913	802,648
Non-Operating A in A	33,000	-	33,000
Net cash requirement	40,256,195	5,993,854	46,250,049

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: To promote the development of a modern, fair, cost effective and efficient system of justice for all								
710,260	6,155,250	3,793,762	10,659,272	1,106,597	9,552,675	801,782	33,000	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Headquarters and Associated Offices								
484,295	504,493	-	988,788	37,232	951,556	37,582	11,300	
B Judicial Pensions Administration								
412	-	-	412	400	12	-	-	
C HM Courts Service								
18,225	1,583,165	-	1,601,390	619,066	982,324	186,870	21,700	
D Office of the Public Guardian and Court of Protection								
-	19,927	-	19,927	18,800	1,127	2,000	-	
E Costs from Central Funds								
-	45,000	-	45,000	-	45,000	-	-	
F Tribunals Service								
27,090	304,344	-	331,434	28,505	302,929	4,560	-	
G Princess of Wales Inquest								
370	-	-	370	-	370	-	-	
Non-Budget								
H Legal Services Commission: Administration								
-	-	121,978	121,978	-	121,978	-	-	
I Criminal Defence Service								
-	-	1,153,246	1,153,246	-	1,153,246	-	-	
J Community Legal Service								
-	-	896,354	896,354	-	896,354	-	-	
K Information Commissioner's Office								
-	-	5,000	5,000	-	5,000	-	-	
L Judicial Appointments Commission								
-	-	7,130	7,130	-	7,130	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
M Criminal Justice Reform								
18,903	97,720	37,500	154,123	20,879	133,244	39,602	-	
N National Offender Management Service HQ								
80,138	1,010,389	-	1,090,527	52,415	1,038,112	513,064	-	
O Prisons Private Sector								
1,078	246,951	-	248,029	-	248,029	-	-	

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
P Prisons Public Sector	75,492	2,289,810	-	2,365,302	329,300	2,036,002	16,304	-
Q Probation HQ	4,257	53,451	-	57,708	-	57,708	1,800	-
<i>Support to local authorities</i>								
R CORE capital grants to local authorities	-	-	2,000	2,000	-	2,000	-	-
Non-Budget								
S Parole Board	-	-	7,789	7,789	-	7,789	-	-
T National Probation Services (local area boards)	-	-	881,090	881,090	-	881,090	-	-
U Youth Justice Board	-	-	448,881	448,881	-	448,881	-	-
V Criminal Injuries Compensation Authority	-	-	223,789	223,789	-	223,789	-	-
W Criminal Cases Review Commission	-	-	6,815	6,815	-	6,815	-	-
X Loan Charges	-	-	2,190	2,190	-	2,190	-	-
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government								
	8,124	300	24,945,276	24,953,700	1,600	24,952,100	100	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Scotland Office	5,299	-	-	5,299	875	4,424	100	-
B Office of the Advocate General	2,825	-	-	2,825	725	2,100	-	-
C Boundary Commission for Scotland	-	300	-	300	-	300	-	-
Non Budget								
D Grant payable to the Scottish Consolidated Fund	-	-	24,945,276	24,945,276	-	24,945,276	-	-

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 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales								
4,398	-	11,988,213	11,992,611	9	11,992,602	766	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Wales Office								
4,398	-	-	4,398	9	4,389	766	-	
Non-budget								
B Grant payable to the National Assembly for Wales								
-	-	11,988,213	11,988,213	-	11,988,213	-	-	
Total for Estimate:								
722,782	6,155,550	40,727,251	47,605,583	1,108,206	46,497,377	802,648	33,000	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	40,383,545	6,113,832	46,497,377
Voted capital items			
Capital	167,735	634,913	802,648
<i>Less:</i> Non-operating A in A	<u>33,000</u>	<u>-</u>	<u>33,000</u>
Total net voted capital	134,735	634,913	769,648
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-147,082	-206,755	-353,837
Depreciation	-135,299	-196,635	-331,934
New provisions and adjustments to previous provisions	-	-464,435	-464,435
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-62	-	-62
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-1,642	31,025	29,383
Use of provisions	<u>22,000</u>	<u>81,909</u>	<u>103,909</u>
Total accruals to cash adjustments	-262,085	-754,891	-1,016,976
Excess cash to be CFERd	-	-	-
Net Cash Requirement	40,256,195	5,993,854	46,250,049

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	701,803
RfR2	6,524
RfR3	4,389
	<hr/>
Total Net Administration Costs	712,716
Net Programme Costs	
RfR1	8,850,872
RfR2	24,945,576
RfR3	11,988,213
Non-voted	88,000
	<hr/>
Total Net Programme costs	45,872,661
Total Net Operating Cost	46,585,377
<i>of which:</i>	
Net Resource Requirement	46,497,377
Non-voted expenditure	88,000
Consolidated Fund Extra Receipts	-
Resource Budget	9,165,063

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	46,497,377
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	88,000
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	46,585,377
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-2,000
European Union income related to capital grants	-
voted expenditure outside the budget	-36,933,489
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-484,825
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	9,165,063
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	9,164,188
Annually Managed Expenditure (AME)	875

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	769,648
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	30,055
capital grants	2,000
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	801,703
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	801,703
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	Alex Allan, Permanent Head of Department
Request for Resources 2	David Middleton, Head of Scotland Office
Request for Resources 3	Alan Cogbill, Head of Wales Office

Alex Allan as the Principal Accounting Officer of the Ministry of Justice 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 Ministry of Justice.

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

In accordance with Managing Public Money Accounting requirements, the relationship between the PAO and the Additional Accounting Officers and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08

RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all

Administration	8,457
<i>of which:</i>	
Sale of goods and services	8,457
Programme	1,098,140
<i>of which:</i>	
Sale of goods and services	1,098,140
Total RfR1	1,106,597 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: civil court fees; receipts in relation to the victims surcharge, charges and receipts received. Fees charged by the Public Trustee, recoveries by the Official Solicitor, fees charged by the Office of the Public Guardian and Court of Protection; recoveries from the National Investment and Loans Office for the cost of administering funds in court. Recovery from the investment managers for the cost of administering the Commons Investment Schemes, recoveries for research and recommendation work undertaken by the Law Commission. Recoveries from the National Insurance Fund for the cost of Social Security Commissioners, income from National Insurance Fund in relation to the Tribunals Appeals Service. Fees relating to the Office of the Information Commissioner and receipts in relation to data protection enquiries. Fees from nursery facilities and other fees; receipts from rents; service charges and site usage; recovery for magistrates' courts accommodation. Contributions paid by legally aided defendants in the higher courts.

Receipts of VAT refunds on contracted out services. Receipts in respect of judicial superannuation contributions and receipts from the Judicial Pensions supply estimate to fund administrative costs. Receipts from the European Commission; receipts from all tribunals, receipts under the New Deal Scheme and receipts from Wider Markets Initiatives. Receipts from Royal Licences; recovery of costs relating to the Hunting Bill; receipts in relation to Enforcement Improvement schemes. Receipts in relation to the devolution Service Level Agreement; receipts in relation to by-election funding; receipts in relation to the use of DDJs as prison adjudicators. Receipts in relation to Legal Services Complaints Commission; receipts in relation to Claims Management Regulation; receipts in relation to Scotland Office secondees; receipts in relation to Data Protection enquiries. Contributions from the Royal Household in respect of coroners work.

Receipts from government departments, sale of hire of vehicles, plant, machinery, land and buildings, sale of equipment and scrap, tax rebates, recovery of staff on loan or seconded to outside bodies, repayment services, payments for information and publications, private telephone calls, vending machines, telex, postal and bank charge recoveries. European Fast stream receipts from the Cabinet Office, subsidies under the welfare for work programme. Contributions towards grant programmes and training services. Profit on the sales of capital assets, compensation and insurance, contributions towards criminal justice system initiatives, rebates and commission from service contracts. Payments from Health authorities, payments from the Scottish Executive, Northern Ireland Office and the National Assembly for Wales, and from the Learning and Skills Council, the Heritage Lottery Fund and Sport England. Share of gross profits from prison shops and from services purchased by staff etc from the activities of prison industries and farms from the supply of inmate labour and from other goods and services.

Agricultural subsidies from advertisements in the Prison Service News and from the sale of waste, payments from the Youth Justice Board and income arising from Machinery of Government changes.

RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government

Administration	1,600
<i>of which:</i>	
Sale of goods and services	1,600
Total RfR2	1,600 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts in respect of rent, payments from other departments for legal services and other receipts.

Notes to the Estimate (*continued*)

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

£'000

2007-08

RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales

Administration	9
<i>of which:</i>	
Sale of goods and services	9
Total RfR3	9 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from rent for use of accommodation in Gwydyr House by the National Assembly of Wales.

Total Operating A in A	1,108,206
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Analysis of non - operating appropriations in aid (A in A)

£'000

2007-08

RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all

Administration	-
<i>of which:</i>	
Sale of assets	-
Programme	33,000
<i>of which:</i>	
Sale of assets	33,000
Total RfR1	33,000 †

† Amount that may be applied as non-operating appropriations in aid, arising from: the disposal of land, buildings and surplus equipment.

Total Non-Operating A in A	33,000
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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	4,057,099	1,324,762	5,807,626	3,356,562	9,164,188
<i>of which: †</i>					
<i>Administration budget</i>	189,180	-	712,716	-	712,716
<i>Near-cash in RDEL</i>	3,189,394	1,599,549	4,657,358	3,866,348	8,523,706
Capital DEL ††	636,913	27,055	771,648	30,055	801,703
Less Depreciation †††	-196,635	-5,953	-331,934	-5,954	-337,888
Total DEL	4,497,377	1,345,864	6,247,340	3,380,663	9,628,003

† 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

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	1,106,597
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Notes to the Estimate (*continued*)

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
RfR 1 - M3	Institute of Psychiatry Teaching Unit	350
RfR 1 - M3	Fawcett Society	35
RfR 1 - M3	National Association for Care & Resettlement of Offenders (NACRO)	221
RfR 1 - M3	Centre for Criminology Justice Economics & Psychology	250
RfR 1 - M3	Revolving Doors	44
RfR 1 - M3	Grant for a diversity restorative justice research pilot	525

Grants in Aid

RfR/Section	Body	£'000
RfR 1 - S	Parole Board ♥	7,789
RfR 1 - T	Probation Service Grants to Local Area Boards ♥	881,090
RfR 1 - U	Youth Justice Board ♥	448,881
RfR 1 - V	Criminal Injuries Compensation Authority ♥	223,789
RfR 1 - W	Criminal Cases Review Commission ♥	6,815

Contingent Liabilities

Nature of Liability	£'000
The Prison service would be liable to meet any uninsured costs incurred by the privately managed prisons .	Unquantifiable
The National Probation Service has reported the Provision of Indemnity to Members of the forty two local area Probation Boards to maintain the same status of indemnity that was provided by local authorities. The government has agreed that an individual Board member should be indemnified against legal damages and costs arising from advice given, or actions done, honestly and in good faith in the execution of his or her board functions, except where the member has acted recklessly. (Minute 6th June 2005)	Unquantifiable
Mubarek Inquiry team Indemnity in relation to any legal action taken against the Chairman or members of the Independent Inquiry into the death of Zahid Mubarek at the Feltham Young Offenders Institution. (Minute 10th March 2006)	Unquantifiable