
Department for Education and Skills

Introduction

1. This Estimate provides for expenditure by the Department for Education and Skills (DfES) and the Sure Start Unit in pursuit of the functions reflected in the section headings. It also provides for administrative expenditure by those bodies used in implementing and evaluating policy and on central services.
2. More details about the expenditure supporting the department's objectives are set out in the departmental report (Cm 6812).
3. The Sure Start Unit is a cross-departmental programme to support the development of young children and their families through Sure Start programmes, Childcare and Early Years initiatives. It has its own Public Service Agreement and the Ministers responsible for this Public Service Agreement are the Secretary of State for Work and Pensions and the Secretary of State for Education and Skills, as responsible Cabinet Ministers.
4. This Estimate includes a large increase in Department for Education and Skills spending due to the transfer of responsibility for £26,546 million, Dedicated School Grants, from the Office of the Deputy Prime Minister.
5. Symbols are explained in the Introduction to this booklet.

Part I

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Request for Resources 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	56,198,311,000
Request for Resources 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,705,843,000
Request for Resources 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	190,100,000
Total net resource requirement	58,094,254,000
Net cash requirement	60,102,791,000

Amounts required in the year ending 31 March 2007 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; Dedicated School Grants; 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, 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

Part I

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 and 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 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.

Part I

	Net total	Allocated in Vote on Account	Balance to complete
RfR 1	56,198,311,000	25,636,121,000	30,562,190,000
RfR 2	1,705,843,000	548,536,000	1,157,307,000
RfR 3	190,100,000	91,768,000	98,332,000
Total net resource requirement	58,094,254,000	26,276,425,000	31,817,829,000
Net cash requirement	60,102,791,000	27,358,359,000	32,744,432,000

Part II: Subhead detail

										£'000	
2006-07 Provision								2005-06 Provision	2004-05 Outturn		
Resources						Capital Non- operating A in A		Net Total Resources	Net Total Resources		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	8	9	10		
1	2	3	4	5	6	7	8	9	10		
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											
246,205	267,600	56,036,249	56,550,054	351,743	56,198,311	3,161,904	509,120	28,267,608	25,765,947		
Spending in Departmental Expenditure Limits (DEL)											
<i>Central Government spending</i>											
A	Activities to Support all Functions										
246,205	38,571	14,006	298,782	9,093	289,689	10,190	575	354,579	291,810		
B	Support for Schools and Teachers not through Local Education Authorities										
-	14,100	1,026,342	1,040,442	-	1,040,442	-	-	1,052,807	798,849		
C	Support for Children and Families not paid through Local Authorities										
-	51,097	858,600	909,697	-	909,697	-	-	666,173	674,730		
D	Higher Education										
-	84,130	208,315	292,445	109	292,336	-	-	117,798	105,649		
E	Higher Education Receipts from the Department of Trade and Industry										
-	-	-	-	335,450	-335,450	-	-	-365,632	-227,643		
F	Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes										
-	79,702	480,191	559,893	7,091	552,802	-	-	422,493	398,367		
G	Support for Students in Higher Education										
-	-	1,548,801	1,548,801	-	1,548,801	-	-	1,370,413	1,390,392		
H	Compensation to Former College of Education Staff										
-	-	11,870	11,870	-	11,870	-	-	11,361	11,226		
	<i>Capital Modernisation Fund Supporting all Functions</i>										
-	-	-	-	-	-	-	-	10,450	6,955		
<i>Support for Local Authorities</i>											
I	Current Grants for Local Education Authorities to Support Schools and Teachers										
-	-	4,077,484	4,077,484	-	4,077,484	-	-	3,864,798	3,421,674		
J	Capital Grants for Local Education Authorities to Support Schools										
-	-	3,063,929	3,063,929	-	3,063,929	-	-	2,550,516	2,362,552		
K	Higher Education Fees and Awards through Local Education Authorities										
-	-	1,000	1,000	-	1,000	-	-	10,600	11,600		

Part II: Subhead detail

										£'000	
2006-07 Provision										2005-06 Provision	2004-05 Outturn
Resources							Capital Non- operating A in A		Net Total Resources	Net Total Resources	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- operating A in A	Net Total Resources	Net Total Resources		
1	2	3	4	5	6	7	8	9	10		
L	Current Grants to Local Authorities to support Children and Families										
	-	-	239,185	239,185	-	239,185	-	-	305,316	209,713	
M	Capital Grants to Local Authorities to support Children and Families										
	-	-	32,228	32,228	-	32,228	-	-	29,812	13,304	
N	Dedicated School Grants										
	-	-	26,546,000	26,546,000	-	26,546,000	-	-	-	-	
	<i>Capital Modernisation Fund through Local Education Authorities</i>										
	-	-	-	-	-	-	-	-	-	276	
Spending in Annually Managed Expenditure (AME)											
<i>Central Government spending</i>											
O	Loans to Students										
	-	-	-	-	-	3,151,714	508,545	-	-	-	
	<i>Education Maintenance Allowance's not through Local Education Authorities</i>										
	-	-	-	-	-	-	-	-	-	188,730	
<i>Support for Local Authorities</i>											
	<i>Education Maintenance Allowance's through Local Education Authorities</i>										
	-	-	-	-	-	-	-	-	-	50,585	
Non-Budget											
P	Grant in Aid to NDPBs supporting Schools										
	-	-	719,697	719,697	-	719,697	-	-	746,029	696,654	
Q	Grant in Aid to NDPBs supporting Children and Families										
	-	-	98,980	98,980	-	98,980	-	-	104,000	102,543	
R	Loans to Students and Grant in Aid to NDPBs supporting Higher Education										
	-	-	6,925,407	6,925,407	-	6,925,407	-	-	6,248,197	6,086,827	
S	Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills and Lifelong Learning										
	-	-	10,184,214	10,184,214	-	10,184,214	-	-	10,767,898	9,171,154	
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare											
	-	6,212	1,699,631	1,705,843	-	1,705,843	500	-	1,321,504	928,156	
Spending in Departmental Expenditure Limits (DEL)											

Part II: Subhead detail

£'000

2006-07 Provision							2005-06 Provision	2004-05 Outturn	
Resources						Capital	Non- operating A	Net Total	Net Total
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	in A	Resources	Resources
1	2	3	4	5	6	7	8	9	10
<i>Central Government spending</i>									
A	Sure Start Current grants not through Local Authorities								
-	6,212	825,464	831,676	-	831,676	500	-	476,450	494,392
<i>Support for Local Authorities</i>									
B	LA Current Grants								
-	-	476,100	476,100	-	476,100	-	-	522,290	289,972
C	LA Capital Grants								
-	-	398,067	398,067	-	398,067	-	-	322,764	143,792
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									
-	-	190,100	190,100	-	190,100	-	-	173,057	221,579
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Children's Fund								
-	-	40,100	40,100	-	40,100	-	-	42,753	55,363
<i>Support for Local Authorities</i>									
B	LA Current Grants								
-	-	150,000	150,000	-	150,000	-	-	130,304	166,216
Total for Estimate:									
246,205	273,812	57,925,980	58,445,997	351,743	58,094,254	3,162,404	509,120	29,762,169	26,915,682

Part II: Resource to cash reconciliation

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Resource Requirement	58,094,254	29,762,169	26,915,682
Voted capital items			
Capital	3,162,404	2,651,254	2,471,888
Less Non-operating A-in-A	509,120	490,697	448,005
Total net voted capital	2,653,284	2,160,557	2,023,883
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,970	-3,970	-2,001
Depreciation	-9,175	-9,175	-10,116
New provisions and adjustments to previous provisions	-708,428	-158,237	-750,308
Profit/loss on sale of assets	-	-	-43
Prior period adjustments	-	-	-
Other non-cash items	-450	-450	-300
Increase (+) / Decrease (-) in stock	-	-	42
Increase (+) / Decrease (-) in debtors	-244	39,574	-4,067
Increase (-) / Decrease (+) in creditors	10,052	10,363	10,683
Use of provisions	67,468	67,965	60,336
Total accruals to cash adjustments	-644,747	-53,930	-695,774
Excess cash to be CFERd	-	-	-
Net Cash Requirement	60,102,791	31,868,796	28,243,791

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	£'000					
	2006-07		2005-06		2004-05	
	Provision		Provision		Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-	1,050	38,697
Non-operating income not classified as A in A	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	80,955	<i>75,300</i>	75,039	<i>69,797</i>	-	<i>70,850</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
Total	80,955	<i>75,300</i>	75,039	<i>69,797</i>	1,050	<i>109,547</i>

Forecast Operating Cost Statement

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Administration Costs			
RfR 1	243,760	252,085	250,345
RfR 2	-	-	-
RfR 3	-	-	-
Total Net Administration costs	243,760	252,085	250,345
Net Programme Costs			
RfR 1	55,954,551	28,015,523	25,514,552
RfR 2	1,705,843	1,321,504	928,156
RfR 3	190,100	173,057	221,579
Total Net Programme costs	57,850,494	29,510,084	26,664,287
Total Net Operating Cost	58,094,254	29,762,169	26,914,632
<i>of which:</i>			
Net Resource Requirement	58,094,254	29,762,169	26,915,682
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-	-	-1,050
Resource Budget	53,962,002	25,318,038	23,232,888

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Resource Requirement (Estimates)	58,094,254	29,762,169	26,915,682
<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 in the OCS	-	-	-1,050
Other adjustments	-	-	-
Net Operating Cost (Accounts)	58,094,254	29,762,169	26,914,632
<i>Adjustments to remove:</i>			
Capital grants	-3,771,024	-3,383,655	-2,843,175
European Union income related to capital grants	-	-	-
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	-499,175	-1,495,650	-838,569
Unallocated resource provision	61,278	-	-
Other adjustments	76,669	-	-
Resource Budget (Budget)	53,962,002	25,318,038	23,232,888
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	53,244,658	24,742,552	22,832,838
Annually Managed Expenditure (AME)	717,344	575,486	400,050

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Voted Capital (Estimates)	2,653,284	2,160,557	2,023,986
<i>Adjustments to remove:</i>			
Gains / losses from sale of capital assets	-	-	-43
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Capital spending by non-departmental public bodies	1,184,422	1,294,726	845,775
Capital grants	3,771,024	3,383,655	2,843,175
European Union income related to capital grants	-	-	-
Supported capital expenditure (revenue)	1,279,002	1,383,970	1,207,077
Capital spending by levy funded bodies	-	-	-
Unallocated capital provision	12,227	-	-
Other adjustments	126,831	-	-
Capital Budget (Budget)	9,026,790	8,222,908	6,919,867
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	6,253,350	6,067,968	4,902,201
Annually Managed Expenditure (AME)	2,773,440	2,154,940	2,017,666

Notes to the Main 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: Mr David Bell, Permanent Head of the Department

Request for Resources 2: Mr David Bell, Permanent Head of the Department

Request for Resources 3: Mr David Bell, Permanent Head of the Department

Mr David Bell, Permanent Head of Department as the Accounting Officer 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 AO 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 organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
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			
Administration	2,445	3,486	3,462
<i>of which:</i>			
Sale of goods and services	2,445	3,486	3,462
Programme	349,298	398,691	252,213
<i>of which:</i>			
Sale of goods and services	8,549	10,442	13,046
EU Income	109	109	1,155
Other grant income (including repayment of grants/subsidies)	340,350	370,256	227,643
Interest and dividends	-	300	111
CFERs	-	-	-1,050
Other income (including receipts)	290	17,584	11,308
Total RfR 1	351,743†	402,177	255,675
<p>† Amount that may be applied as operating 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 (including the EC); 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.</p>			
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare			
Programme	-	8,465	7,646
<i>of which:</i>			
Sale of goods and services	-	290	319
Other income (including receipts)	-	8,175	7,327
Total RfR 2	-	8,465	7,646
Total Operating A in A	351,743	410,642	263,321

Analysis of non-operating appropriations in aid (A in A)

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
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			
Administration	-	-	60
<i>of which:</i>			
Sale of assets	-	-	60
Programme	509,120	490,697	447,945
<i>of which:</i>			
Sale of assets	575	575	320
Loan, etc, repayments	508,545	490,122	447,625
Total RfR 1	509,120†	490,697	448,005
† Amount that may be applied as non-operating appropriations in aid in addition to the net total 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.			
Total Non-Operating A in A	509,120	490,697	448,005

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000					
	2006-07		2005-06		2004-05	
	Provision		Provision		Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Other Income Φ	-	-	-	-	1,050	38,697
Student Loans Interest Receipts Φ	80,955	75,300	75,039	69,797	-	70,850
Total	80,955	75,300	75,039	69,797	1,050	109,547

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

	£'000		
	Voted	Non-voted	Total
Resource DEL	36,659,932	16,584,726	53,244,658
<i>of which:</i> *			
Administration budget	243,760	-	243,760
Near-cash in RDEL	35,937,909	16,529,317	52,467,226
Capital DEL**	3,516,139	2,737,211	6,253,350
Less Depreciation†	-9,175	-27,439	-36,614
Total DEL	40,166,896	19,294,498	59,461,394

* The total of the '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.

Comparison of provision sought with final provision for the previous year

The total net resource sought for 2006-07 of £58,094,254,000 is 95.2 per cent higher than the final net provision for 2005-06 of £29,762,169,000.

Cash which may be retained to offset expenditure

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
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.	860,863	901,339	711,326

Notes to the Main 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
RFR1 – C	Grants to support Marriages and Relationships	1,500
RFR1 – D	Grants to the Royal Anniversary Trust to cover costs associated with the Higher and Further Education Awards Scheme (Queen's Anniversary Prizes)	167

Notes to the Main Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RFR1 – P	Adventure Activity Licensing Authority	0.0
RFR1 – P	British Educational Communications and Technology Agency ♦	10.6
RFR1 – P	Partnerships for Schools	0.0
RFR1 – P	National College for Schools Leadership ♦	90.4
RFR1 – P	Training and Development Agency for Schools ♥	618.7
RFR1 – Q	Children and Families Court Advisory and Support Service ♥	99.0
RFR1 – Q	Children's Commissioner ♥	0.0
RFR1 – R	Adult Learning Inspectorate ♥	22.3
RFR1 – R	Higher Education Funding Council for England ♥	6,878.6
RFR1 – R	Office For Fair Access ♥	0.5
RFR1 – R	Student Loan Company ♦	46.3
RFR1 – S	Investors in People UK ♦	5.1
RFR1 – S	Learning and Skills Council ♥	10,032.8
RFR1 – S	Qualifications and Curriculum Authority ♥	61.1
RFR1 – S	Sector Skills Development Agency ♦	63.0

Notes to the Main Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
Non-statutory	
The department will meet the accrued Civil Service redundancy entitlement to date of secondees who resigned from the Department to take up Training and Enterprise (TEC) employment on or after 1 January 1993 in TECs in England and Wales if:	59,000
a) their TEC makes them redundant due to direct government action due to their first five years of employment;	
b) a court or tribunal ever ruled that TEC and civil service employment were continuous for redundancy calculation purposes.	
The department has and will continue to give indemnities to TECs, Chamber of Commerce Training and Enterprise Councils (CCTEs), their representative TEC bodies and those concerned with the wind up, transfer or continuation of TEC delivered activity, where this will facilitate the conclusion of the working and contractual relationship between TECs, CCTEs and the Government, thereby ensuring the continuation of essential discretionary activity and the return of residual reserves owing to the Secretary of State at the earliest opportunity.	
The indemnities will include:	
a) Liabilities that arise from audit work carried out in respect of the delivery of activities funded through the European union initiatives or through Single Regeneration Budget and other schemes sponsored by Government Departments other than DfES and DTI;	90,165
b) Liabilities that arise from the transfer of TEC/CCTE functions to successors, including from staff who have been transferred or been made redundant, who as a result of the transfer seek redress through the Employment Tribunal;	1,140
c) Liabilities arising from properties leased by TECs/CCTEs that they have been unable to dispose of by the time they wind up. The department may take over these leases and dispose of them on behalf of TECs/CCTEs.	7,150
In order to ensure that the Croydon Local Learning and Skills Council (LLSC) commenced operations in April 2001 and because no suitable TEC or CCTE property exists in the Croydon LLSC area an indemnity to give a landlord a guarantee that, in the event of the LSC ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LSC is an unknown body with no financial history.	4,861
In order to ensure that the Learning and Skills Council (LSC) commenced operations in April 2001 and because no suitable TEC or CCTE property exists in the Brighton, Manchester or Coventry area an indemnity to give a landlords a guarantee that, in the event of the LSC ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LSC is an unknown body with no financial history.	35,803
In order to ensure that the Adult Learning Inspectorate (ALI) commences operations in April 2001 and because no suitable departmental property exists in the Coventry area an indemnity to give landlords a guarantee that, in the event of the ALI ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the ALI is an unknown body with no financial history.	4,788
Arrangements to allow the appointment of a receiver to manage the affairs of Merseyside Training and Enterprise Council (MTEC).	2,000
Arrangements to allow for the appointment of a receiver at any TEC we believe necessary.	6,000

Notes to the Main Estimate (*continued*)**International subscriptions**

RfR/Section	Body	£'000
RFR1 – F	The Estimate includes provisions to reimburse the Department for Works and Pensions for payments made by the Joint International Unit for International Education Programmes and the annual subscription of the International Labour Organisation.	8,788
