

Office of the Deputy Prime Minister

Introduction

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

RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions

Increases:

Take up of End Year Flexibility

Programme: Resource, Capital and Administration

Amount: £44,516,000

Sections: A, C, D, E, F, I, P, T, and V.

To increase resource grants provision for: Housing Supply and Demand (Section A) (£1,230,000); Tackling Disadvantage (Section C) (£1,000,000); Development of English Regions (Section E) (£4,390,000); Central Administration Other current (Section F) (£851,000); Tackling Disadvantage (capital grants to local authorities) (Section P) (£7,989,000); Development of English Regions (capital grants to local authorities) (Section T) (£500,000) and European Structural Funds (net) (capital grants to local authorities) (Section V) (£4,000,000).

Administration costs increases: Central Administration (Section F) (£24,000,000)

Invest to Save budget (ISB) increase for: Better Services (Section D) (£264,000) and European Structural Funds - ODPM (Section I) (£292,000).

Transfers from Other Government departments

Amount: £26,837,000

Sections: C, F and G

To increase resource grants provision for: Tackling Disadvantage (Section C) (£850,000) by a transfer from the Home Office; Central Administration (Section F) (£4,400,000) by a transfer from Department for Transport and Government Office Administration (Section G) by transfers from the Home Office (£16,225,000) and Department for Environment, Food and Rural Affairs (DEFRA) (£5,362,000).

Increase in Provision

Amount: £13,844,000

Sections: B and AA

To increase resource grants provision for Decent Places to Live (Section B) - for Ronnie Wilson First Step Trust, Social co-ownership partnership and SMaRT from ISB (£850,000); London Rebuilding Society Social co-ownership from ISB (£1,031,000) and grant in aid for Housing Demand and Supply (Section AA) (£11,963,000).

Increase in receipt for ERDF

Amount: £4,000,000

Section: V

To increase income to net off changes in resource line for European Structural Fund net (capital grants to local authorities) (Section V) (£4,000,000).

Transfer from non-voted spending

Amount: £42,140,000

Sections: B, C, D, I, P, M and T

To increase the resource grants for: Tackling Disadvantage (Section C) (£2,000,000); Housing Supply and Demand (capital grants to local authorities) (Section M) (£500,000) and Tackling Disadvantage (capital grants to local authorities) (Section P) (£38,010,000).

Introduction

To increase capital grants for: Decent Places to Live (Section B) (£300,000); Better Services (Section D) (£50,000); European Structural funds - ODPM (Section I) (£280,000) and Development of English Regions (capital grants to local authorities) (Section T) (£1,000,000).

Transfer from RfR2

Amount: £200,000

Section: O

To increase resource grants for Tackling Disadvantage (RfR1: Section O) (£200,000) by a transfer from Other Grants and Payments (resource grants) RfR2: Section H).

Decreases

Transfers to other Government departments

Amount: £31,394,000

Sections: G, M and T

To decrease resource grants for: Government Office Administration (Section G) by a transfer to the Department for Trade and Industry (DTI) (£394,000) of the net reduction in the DTI core funding and Housing Supply and Demand (capital grants to local authorities) (Section M) (£30,000,000) by a transfer to the Department of Culture, Media and Sport to part fund preparation for the Olympics.

To decrease capital grants for: Development of English Regions (capital grants to local authorities) (Section T) (£1,000,000) by a transfer to Department for Education and Skills (DFES) to provide GAP funding for Combined Universities.

Transfers to non-voted provision

Amount: £80,238,000

Sections: A and M

To decrease grants provision for: Housing Supply and Demand (Section A) (£35,479,000) and Housing Supply and Demand (capital grants to local authorities) (Section M) (£44,759,000).

Reduction in Provision

Amount: £11,864,000

Section: AA

To decrease grant in aid provision for Housing Demand and Supply (Section AA) (£11,864,000).

Transfers to RfR2

Amount: £1,410,000

Sections: A and D

To decrease resource provision for: Housing Demand and Supply (RfR1: Section A) by a transfer to Local Government research and publicity, mapping costs and electoral law (RfR2: Section C) (£10,000) and Better Services (RfR1: Section D) by a transfer to Best Value Inspection subsidies to Public Corporations and best value intervention costs (RfR2: Section B) (£1,400,000).

Neutral Changes:

Transfers within the RfR

Sections: A, B, C, D, E, F, G, M, N, O, P, Q and S

Transfer from: Housing Supply and Demand (Section A) to Decent Places to Live (Section B) (£2,975,000); Housing Supply and Demand (Section A) to Housing Supply and Demand (capital grant to local authorities) (Section M) (£289,805,000); Housing Supply and Demand (Section A) to Tackling Disadvantage (capital grants to local authorities) (Section P) (£2,000,000); Housing Supply and Demand (Section A) to Tackling Disadvantage (Section C) (£2,500,000); Decent Places to Live (Section B) to Housing Supply and Demand (Section A) (£3,602,000); Tackling Disadvantage (Section C) to Housing Supply and Demand (Section A) (£368,000); Better Services (Section D) to Housing Supply and Demand (Section A) (£800,000); Better Services (Section D) to Better Services (Section Q) (£8,756,000); Decent Places to Live (Section B) to Decent Places to Live (capital grants to local authorities) (Section N) (£37,500,000); Tackling Disadvantage (Section O) to Tackling Disadvantage (Section C) (£2,000,000); Central Administration (Section F) to Decent Places to Live (Section B) (£620,000); Central Administration (Section F) to Housing Supply and Demand (Section A) (£3,986,000) - resource grants (£1,486,000) and

Introduction

Capital grants (£2,500,000); Central Administration (Section F) to Government Office Administration (Section G) (£15,851,000) - resource grants (£15,251,000) and Capital (£600,000) and Development of English Regions (Section S) to Development of English Regions (Section E) (£136,000).

Increases in gross spending offset by Appropriation in Aid

Amount: £37,373,000

Sections: D, F, G and AA

To increase resource provision fully offset by receipts for Better Services (Section D); Central Administration (Section F); Government Office Administration (Section G) and Housing Demand and Supply (Section AA).

RfR 2: Providing for effective devolved decision making within a national framework

Increases:

Take up of End Year Flexibility

Amount: £73,078,000

Sections: A, B, C, H and I

To increase resource provision for: Valuation Services (Section A) (£18,659,000); Best Value Inspection subsidies to Public Corporations and best value intervention costs (Section B) (£3,617,000); Local Government research and publicity, mapping costs and electoral law (Section C) (£4,591,000); Other Grants and Payments (resource grants) (Section H) (£7,722,000) and Other Grants and Payments (capital grants) (Section I) (£38,489,000).

Increase in Provision

Amount: £52,181,000

Sections: J and K

To increase grants provision for: Non-domestic Rates Outturn adjustments (Section J) (£51,000,000) and grant in aid for Non-Departmental public bodies (Section K) (£1,181,000).

Transfers from non-voted spending

Amount: £4,000

Section: D

To increase other current provision for Local Governance (Section D) (£4,000).

Transfer from RfR1

Amount: £1,410,000

Sections: B and C

To increase other current provision for: Best Value Inspection subsidies to Public Corporations and best value intervention costs (RfR2: Section B) by a transfer from Better Services (RfR1: Section B) (£1,400,000) and Local Government research and publicity, mapping costs and electoral law (Section C) by a transfer from Housing Demand and Supply (RfR1: Section A) (£10,000).

Decreases:

Transfer to non-voted spending

Amount: £2,000,000

Section: H

To decrease grants provision for Other Grants and Payments (resource grants) (Section H) (£2,000,000).

Transfer to RfR1

Amount: £18,200,000

Section: H

To decrease grants provision for Other Grants and Payments (resource grants) (Section H) (£18,200,000) by transfers to Tackling Disadvantage (RfR1: Section O) (£200,000) and non voted provision (£18,000,000).

Introduction

Neutral changes

Transfers within the RfR

Section: A, B, C, D, H

Transfer from: Valuation Services (Section A) to Local Government (Section D) (£341,000); Best Value Inspection subsidies to Public Corporations and best value intervention costs (Section B) to Other Grants and Payments (resource grants) (Section H) (£1,700,000); Local Government (Section D) to Other Grants and Payments (resource grants) (Section H) (£530,000) and Local Government (Section D) to Local Government research and publicity, mapping costs and electoral law (Section C) (£100,000).

2. As a result of these changes there is an increase in the net cash requirement of £166,856,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	1,000
RfR 2: Providing for effective devolved decision making within a national framework	106,473,000
Total additional net resource requirement	106,474,000
Additional net cash requirement	166,856,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Office of the Deputy Prime Minister on:

RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions

housing revenue account subsidy; homelessness and rough sleepers; payments to the Housing Corporation; payments to the Audit Commission for registered social landlord inspections; disabled facilities grant; renewal of private sector housing; best value in housing; home selling; procurement efficiency and social housing; payments to local authorities in respect of Local Area Agreements; rent and leasehold services; national approved letting scheme; social housing mobility including choice-based local authority lettings; council tenant participation; housing transfers; procurement efficiency and social housing; regional housing boards advice; payments to Housing Action Trusts; the Supporting People programme; capital grants to local authorities for housing; Local Authority Social Housing Grant transitional compensation; payments to the Commission for Architecture and the Built Environment; payments to the Academy for Sustainable Communities; Housing Improvement Agencies; charges by Valuation Offices in respect of Right to Buy; refurbishment and acquisition of gypsy sites; deprived neighbourhoods, including the New Deal for Communities programmes; payments to the Urban Regeneration Agency; payments to the Department of Trade and Industry for Regional Development Agencies and the London Development Agency; Groundwork; initiatives to accelerate the growth areas, including payments to development corporations and other local delivery agencies; grants and payments for creating and improving parks and public spaces; co-ordinating strategy for dealing with abandoned vehicles; payments that derive from European Structural Funds Regulations (including ERDF match funding); exchange rate losses and other losses relating to European Regional Development Fund (ERDF) projects; coalfields regeneration; planning; the Planning Inspectorate; fire and rescue services, including grants paid to Chief Fire Officers' Association and measures to deal with the aftermath of terrorism; payments and loans to the Fire Service College (trading fund); fire service superannuation; fire service dispute(s); mapping data and services; Ordnance Survey trading fund; regional assemblies, payments for the Mersey Basin Campaign; special grants paid under section 88B of the Local Government Finance Act 1988; special grants paid under Section 31 of the Local Government Act 2003; minor grants and payments in support of housing, planning, regeneration, liveability, urban design, building regulation, research, development, surveys; monitoring, statistics, advice and consultancies; initiatives to tackle areas of low demand housing; publicity, promotion and publications; communications; Special Grants Programme support to voluntary bodies; subscriptions and contributions to international organisations; the Deputy Prime Minister's chairmanship of Ministerial Committees; co-ordination of cross-cutting issues including social exclusion; the residual functions of Property Services Agency (PSA); residual payments concerning the privatisation of the Building Research Establishment; payments and loans in connection with the Queen Elizabeth II Conference Centre trading fund; the Neighbourhood Renewal Unit; the Teenage Pregnancy Unit; the administration and operation of the Office; providing for the administration of the Government Offices; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; research; housing statistics, special payments; and associated non-cash items.

Part I (*continued*)

RfR 2: Providing for effective devolved decision making within a national framework

payments to the Valuation Office Agency for rating and valuation services; payments to the Audit Commission for Best Value inspections; revenue support grant and redistributed non-domestic rates to receiving authorities in England; repayments of excess contributions made by local authorities in respect of non-domestic rates in 2004-05 and previous years; preparation for the Greater London Authority and related bodies; Greater London Authority (GLA) general grant; intervention action and capacity building in local authorities; local Public Service Agreement (PSA) performance fund payments; special grants paid under section 88B of the Local Government Finance Act 1988 and section 31 of the Local Government Act 2003; Best Value grants to Parish Councils; grants to beacon councils; emergency financial assistance to local authorities; payments to bodies specified by the Secretary of State under section 78 of the Local Government Finance Act 1988, as amended, and to the Commission for Local Administration in England; mapping and other costs associated with local government reviews and revisions to administrative and electoral boundaries following Parish and Electoral Commission reviews; grant-in-aid to the Standards Board for England and to Valuation Tribunal Service; payments in respect of the work of the Parliamentary Boundary commissions; electoral functions in the United Kingdom; payments in respect of the capital element of contracts let under the private finance initiative; research, development, surveys, monitoring, statistics, advice and consultancies; publicity, promotion and publications; special payments; subscriptions to the Commonwealth Local Government forum; and associated non-cash items.

The **Office of the Deputy Prime Minister** will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Housing Supply and Demand	421,879	-323,283	-	-323,283	98,596
RfR 1 - B Decent Places to Live	113,079	-36,246	-	-36,246	76,833
RfR 1 - C Tackling Disadvantage	131,655	7,982	-	7,982	139,637
RfR 1 - D Better Services	105,102	-9,276	1,416	-10,692	94,410
RfR 1 - E Development of English Regions	1,226,035	4,526	-	4,526	1,230,561
RfR 1 - F Central Administration	206,936	23,123	10,609	12,514	219,450
RfR 1 - G Government Office Administration	103,160	49,150	12,706	36,444	139,604
RfR 1 - I European Structural funds - ODPM	5,002	292	-	292	5,294
RfR 1 - M Housing Supply and Demand (capital grants to local authorities)	271,891	215,546	-	215,546	487,437
RfR 1 - N Decent Places to Live (capital grants to local authorities)	12,915	37,500	-	37,500	50,415
RfR 1 - O Tackling Disadvantage	1,966,811	-1,800	-	-1,800	1,965,011
RfR 1 - P Tackling Disadvantage (capital grants to local authorities)	101,300	47,999	-	47,999	149,299
RfR 1 - Q Better Services	6,530	8,756	-	8,756	15,286
RfR 1 - S Development of English Regions	102,299	-136	-	-136	102,163
RfR 1 - T Development of English Regions (capital grants to local authorities)	170,000	500	-	500	170,500
Non-budget					
RfR 1 - AA Housing Supply and Demand	2,128,528	12,741	12,642	99	2,128,627
Total RfR 1		37,374	37,373	1	

RfR 2: Providing for effective devolved decision making within a national framework

Spending in Departmental Expenditure Limits (DEL)

RfR 2 - A Valuation Services	174,450	19,000	-	19,000	193,450
RfR 2 - B Best value inspection subsidies to Public Corporations & best value intervention costs	22,720	3,317	-	3,317	26,037
RfR 2 - C Local Government Research and Publicity, MAPPING costs and Electoral law	3,439	4,701	-	4,701	8,140
RfR 2 - D Local Governance	1,000	-967	-	-967	33
RfR 2 - H Other Grants and Payments (resource grants)	780,060	-10,248	-	-10,248	769,812

Part II: Changes proposed

		£'000				
Resources		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 2 - I	Other Grants and Payments (capital grants)	340,251	38,489	-	38,489	378,740
RfR 2 - J	Non-domestic Rates Outturn Adjustments and LABGIS	590,000	51,000	-	51,000	641,000
Non-budget						
RfR 2 - K	Non-departmental public bodies	19,543	1,181	-	1,181	20,724
Total RfR 2			106,473	-	106,473	
Total Changes to RfRs			143,847	37,373	106,474	

		£000		
Capital and Cash		Present Provision	Change in Provision	New Provision
Total Capital Expenditure		104,443	-1,370	103,073
Non-Operating A in A		104	-	104
Net cash requirement		55,815,907	166,856	55,982,763

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: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions								
	367,860	1,043,500	7,376,530	8,787,890	180,393	8,607,497	103,073	104
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Housing Supply and Demand							
	2,625	88,208	16,954	107,787	9,191	98,596	6,844	-
B	Decent Places to Live							
	-	15,283	61,550	76,833	-	76,833	920	-
C	Tackling Disadvantage							
	-	47,543	92,094	139,637	-	139,637	-	-
D	Better Services							
	1	92,535	8,624	101,160	6,750	94,410	74,225	22
E	Development of English Regions							
	-	520	1,230,041	1,230,561	-	1,230,561	-	-
F	Central Administration							
	212,923	38,382	-	251,305	31,855	219,450	17,344	-
G	Government Office Administration							
	152,310	-	-	152,310	12,706	139,604	3,460	-
H	European Structural Funds (net)							
	-	-	1	1	-	1	-	-
I	European Structural funds - ODPM							
	-	5,292	2	5,294	-	5,294	280	-
J	Ordnance Survey							
	-	1,320	-	1,320	1,340	-20	-	-
K	Queen Elizabeth II Conference Centre Executive Agency							
	1	-	2	3	1,409	-1,406	-	82
<i>Support for Local Authorities</i>								
L	Housing Supply and Demand							
	-	-	141,580	141,580	-	141,580	-	-
M	Housing Supply and Demand (capital grants to local authorities)							
	-	-	487,437	487,437	-	487,437	-	-
N	Decent Places to Live (capital grants to local authorities)							
	-	-	153,415	153,415	103,000	50,415	-	-
O	Tackling Disadvantage							
	-	-	1,965,011	1,965,011	-	1,965,011	-	-
P	Tackling Disadvantage (capital grants to local authorities)							
	-	-	149,299	149,299	-	149,299	-	-
Q	Better Services							
	-	-	15,286	15,286	-	15,286	-	-

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		
R	Better Services (capital grants to local authorities)	-	-	5,000	5,000	-	5,000	-	-
S	Development of English Regions	-	-	102,163	102,163	-	102,163	-	-
T	Development of English Regions (capital grants to local authorities)	-	-	172,000	172,000	1,500	170,500	-	-
U	European Structural Funds (net)	-	-	1	1	-	1	-	-
V	European Structural Funds (net) (capital grants to local authorities)	-	-	1	1	-	1	-	-
	<i>Decent Places To Live</i>	-	-	-	-	-	-	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central government spending</i>									
W	Decent Places To Live	-	754,367	-	754,367	-	754,367	-	-
X	Better Services	-	50	-	50	-	50	-	-
<i>Support for Local Authorities</i>									
Y	Housing Supply and Demand	-	-	18,800	18,800	-	18,800	-	-
Z	Decent Places to Live (capital grants to local authorities)	-	-	616,000	616,000	-	616,000	-	-
Non-budget									
AA	Housing Supply and Demand	-	-	2,141,269	2,141,269	12,642	2,128,627	-	-
RfR 2: Providing for effective devolved decision making within a national framework									
		-	235,125	46,992,090	47,227,215	465	47,226,750	-	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Valuation Services	-	193,450	-	193,450	-	193,450	-	-
B	Best value inspection subsidies to Public Corporations & best value intervention costs	-	26,037	-	26,037	-	26,037	-	-
C	Local Government Research and Publicity, MAPPING costs and Electoral law	-	8,605	-	8,605	465	8,140	-	-
D	Local Governance	-	33	-	33	-	33	-	-
<i>Support for Local Authorities</i>									
E	Revenue support grants	-	-	27,151,321	27,151,321	-	27,151,321	-	-

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		
F	Non-domestic Rates Payments	-	-	18,000,000	18,000,000	-	18,000,000	-	-
G	London Governance	-	-	37,493	37,493	-	37,493	-	-
H	Other Grants and Payments (resource grants)	-	7,000	762,812	769,812	-	769,812	-	-
I	Other Grants and Payments (capital grants)	-	-	378,740	378,740	-	378,740	-	-
J	Non-domestic Rates Outturn Adjustments and LABGIS	-	-	641,000	641,000	-	641,000	-	-
Non-budget									
K	Non-departmental public bodies	-	-	20,724	20,724	-	20,724	-	-
Total for Estimate:									
	367,860	1,278,625	54,368,620	56,015,105	180,858	55,834,247	103,073	104	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	55,727,773	106,474	55,834,247
Voted capital items			
Capital expenditure	104,443	-1,370	103,073
<i>Less:</i> non-operating A in A	<u>104</u>	<u>-</u>	<u>104</u>
Total net voted capital	104,339	-1,370	102,969
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-5,763	-103	-5,866
Depreciation	-11,466	-1,256	-12,722
New provisions and adjustments to previous provisions	-11,422	-	-11,422
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	2,025	2,025
Increase(-)/decrease (+) in creditors	-	61,086	61,086
Use of provisions	<u>12,446</u>	<u>-</u>	<u>12,446</u>
Total accruals to cash adjustments	-16,205	61,752	45,547
Excess cash to be CFERd	-	-	-
Net cash requirement	55,815,907	166,856	55,982,763

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR 1	335,358	
RfR 2	-	
Total Net Administration Costs		335,358
Net Programme Costs		
RfR 1	5,946,223	
RfR 2	47,226,750	
Total Net Programme costs		53,172,973
Total Net Operating Cost		53,508,331
<i>of which:</i>		
Net Resource Outturn		55,834,247
CFERs		-2,325,916
Non-voted expenditure		-
Resource Budget Outturn		53,156,633

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	55,834,247
<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	-2,325,916
Other adjustments	-
Net Operating Costs (Accounts)	53,508,331
<i>Adjustments to remove:</i>	
capital grants to local authorities	-1,971,798
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	184,071
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	1,794,666
resource consumption of non departmental public bodies	-434,243
unallocated resource provision	-
Other adjustments	75,606
Resource Budget Outturn (Budget)	53,156,633
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	52,272,500
Annually Managed Expenditure (AME)	884,133

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	102,969
<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	438,474
capital grants to local authorities	1,971,798
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	1,842,470
capital spending by levy funded bodies	-
unallocated capital provision	4,460
Other adjustments	130,000
Capital Budget Outturn (Budget)	4,490,171
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,874,171
Annually Managed Expenditure (AME)	616,000

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	Peter Housden, Permanent Head of the Office of the Deputy Prime Minister
Request for Resources 2	Neil Kinghan, Additional Accounting Officer and Director General of the Local Government and Fire Group of the Office

Peter Housden, as the Principal Accounting Officer (PAO) of the Office of the Deputy Prime Minister 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 Office of the Deputy Prime Minister.

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 Office of the Deputy Prime Minister's policies, aims, and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	Non operating
	Operating A in A	operating A in A
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions		
Housing Supply and Demand – Section A	9,191	-
Better Services – Section D	6,750	22
Central Administration – Section F	31,855	-
Ordnance Survey – Section J	1,340	-
Government Office Administration - Section G	12,706	-
Queen Elizabeth II Conference Centre Executive Agency – Section K	1,409	82
Decent Places to Live (capital grants to local authorities) – Section N	103,000	-
Development of English Regions (capital grants to local authorities – Section T	1,500	-
Housing Supply and Demand - Section AA	12,642	-
Total RfR 1	180,393 *	104 **
*Amount that may be applied as appropriations in aid in addition to the net total arising from: research and administrative services, fee paying enquiries, dissemination and sales of information, royalties, the loan, hire and storage of equipment, seminars, patent rights, conferences and publications (in print and non-print media); sponsorship, including contributions from co-sponsors towards the cost of research and surveys; other government departments, devolved administrations; agencies and non-departmental public bodies and overseas government; receipts from the European Union; adjustments to commuted loan charges or residual loan charge grants; pooled housing capital receipts from local authorities; donations; receipts from the Housing Corporation; charges for services provided by leasehold valuation tribunals and other receipts by Rent Assessment Panels; receipts from the Academy for Sustainable Communities; recovered renovation or disabled facilities grants; recovered derelict land and other regeneration grants; charges made by the Planning Inspectorate executive agency in England and Wales; receipts from inspections by HM Fire Service Inspectorate; fire service dispute(s); dividend payment from Ordnance Survey; dividend payment from the Queen Elizabeth II Conference Centre and interest payments on voted loans; receipts from medical appeals to cover BUPA expenditure; receipts from regional fire and rescue central centres building developers; interest payments on deemed and voted loans made to the Fire Service College; dividend payment from the Fire Service College; receipts from local authorities in respect of fire services; licence fee income generated from the sale of software licence(s); receipts from the Urban Summit; the disposal of land, buildings, water stores, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; receipts for the use of accommodation; rental income and receipts from property and land; legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements; residual items from the sale of the Building Research Establishment; receipts associated with the Emergency Fire Services; former SRB programme receipts; and the sale of Property Services Agency businesses.		
**Amounts that may be applied as non-operating appropriations in aid arising from the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan, hire or storage of equipment; repayments by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; repayment of deemed and voted loans made to the Queen Elizabeth II Conference Centre and the Fire Service College; receipts from the Housing Corporation and the sale of PSA businesses.		
RfR 2: Providing for effective devolved decision making within a national framework		
Local government research and publicity, and Local Government Commission mapping costs and electoral law – Section C	465	-
Total RfR 2	465 *	-
*Amount that may be applied as appropriation in aid in addition to the net total arising from: sponsorship, including contributions from co-sponsors towards the cost of research and publicity; the Home Office; repayments by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; and fines passed on by the Department for Constitutional Affairs.		
Total A in A	180,858	104
<i>of which: Administration budgets</i>	-	-

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Departmental Expenditure Limit for the Office of the Deputy Prime Minister will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-261,647	50,352,952	1,919,548	52,272,500
<i>of which :Administration Budget</i>	<i>48,107</i>	<i>335,358</i>	<i>-</i>	<i>335,358</i>
Capital	549,841	1,588,767	2,285,404	3,874,171
Depreciation*	-2,512	-12,722	-2,556	-15,278
Total	285,682	51,928,997	4,202,396	56,131,393

*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
180,962

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
B	Robust Details Scheme		150

Notes to the Estimate (*continued*)

Grants in Aid

A number of grants in aid in excess of £1 million are borne on these Requests for Resources

RfR 1	£ million
Urban Regeneration Agency	280.6
Housing Corporation	1,715.9
Housing Corporation - Thames Gateway	1.3
South East England Development Agency	46.4
East England Development Agency	25.0
Thurrock Urban Development Agency	♥ 32.5
London Urban Development Corporation	♥ 22.5
West Northamptonshire Urban Development Corporation	♥ 4.4
RfR 2	
Standards Board for England	9.2
Valuation Tribunal Service	11.5