

# Department for Communities and Local Government

## Introduction

### 1. Changes in resources

Amount £

#### Changes in resources

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

##### **Increases:**

##### Take up of End Year Flexibility

##### *Near-cash*

To increase provision for : Decent Places to Live (Section B) (£2,000,000); Central Administration (Section F) (£8,500,000); Government Office Administration (Section G) (£3,000,000). 13,500,000

##### *Capital grant*

To increase provision for : Decent Places to Live (Section B) (£34,000,000); Decent Places to Live (Section M)(£286,000). 34,286,000

##### Take up of Departmental Unallocated Provision

##### *Capital grant*

To increase provision for Decent Places to Live (Section M) (£45,000,000). 45,000,000

##### Take up of Invest to Save Budget

##### *Near-cash*

To increase provision for Decent Places to Live (Section B) (£108,000); Tackling Disadvantage (Section C)(£705,000). 813,000

##### *Capital grant*

To increase provision for Tackling Disadvantage (Section C) (£5,000) 5,000

##### Transfers to voted spend

##### *Near-cash*

To increase provision for European Structural Funds - Department for Communities & Local Government (Section I) (£650,000). 650,000

##### *Non-cash*

To increase provision for: Housing Supply and Demand (Section A)(£1,374,000); Tackling Disadvantage (Section C)(£339,000); European Structural Funds - Department for Communities & Local Government (Section I) (£37,775,000). 39,488,000

##### *Capital grant*

To increase provision for Housing Supply and Demand (Section L)(£2,750,000). 2,750,000

Grant in Aid

To increase grant in aid provision for Housing Supply and Demand (Section U) (£2,804,000) and Tackling Disadvantage (Section X)(£1,000,000). 3,804,000

Transfer from Capital

To increase capital grant provision for Central Administration (Section F)(£42,000) and European Structural Funds - Communities and Local Government (Section I)(£700,000). 742,000

Other Increases

To increase provision for Government Office Administration (Section G)(£3,577,000). Funded in budgetary terms by reallocations of administration costs from the Department for Transport (£1,800,000); the Department of Trade and Industry (£1,013,000) and the Cabinet Office (£764,000) 3,577,000

**Decreases:**Transfers to non voted spend*Near-cash*

To decrease provision for Housing Supply and Demand (Section A)(£975,000); Better Services (Section D)(£5,050,000). -6,025,000

*Non-cash*

To decrease provision for Better Services (Section D)(£4,817,000). -4,817,000

*Capital grant*

To decrease provision for Housing Supply and Demand (Section A)(£1,399,000); Housing Supply and Demand (Section L)(£13,500,000); Decent Places to Live (Section M)(£5,000,000). -19,899,000

Transfer to Capital

To decrease provision for Housing Supply and Demand (Section A)(£300,000) and Better Services (Section D)(£5,000,000) -5,300,000

Transfer to RfR2*Near-cash*

To decrease provision for Housing Supply and Demand(Section A)(£88,000) by a transfer to RfR2 Research, Publicity, Mapping and Electoral Costs (SectionC) -88,000

Machinery of Government Change*Near-cash*

Decrease in provision for Central Administration (Section F)(£100,000). Funded in budgetary terms by a reallocation of administration costs to the Deputy Prime Minister's Office -100,000

## Other Decreases

*Capital grant*

Decrease in provision for Development of English Regions (Section P)(£5,000,000). Funded in budgetary terms by a transfer to the Department for Education and Skills. -5,000,000

**Neutral Changes:**Spending offset by A-in-A*Near Cash*

To increase provision fully offset by Appropriation in Aid: Better Services (Section D) (£1,711,000); Central Administration (Section F)(£3,325,000); Government Office Administration (Section G) (£17,477,000)

To decrease provision in Decent Places to Live( Section M), (-£45,000,000) to fully offset reduction in Appropriations in Aid

*Capital grants*

To increase provision fully offset by Appropriation in Aid: Development of English Regions (Section P) (£3,750,000); Government Office (Section G) (£1,616,000)

Transfers between Sections within RfR1

Net Increases in :Housing Supply and Demand (Section A) (£1,239,000);Tackling Disadvantage (Section C) (£790,000); Governemnt Office Administration (Section G) (£9,168,000), European Structural Funds - Communities and Local Government(Section I) (£2,850,000),Tackling Disadvantage ( Section N) (£3,000,000), Better Services (Section O) (£4,658,000) offset by net decreases in Decent Places to Live (Section B) (-£690,000) ; Better Services (Section D) ( - £5,838,000) ; Central Administration (Section F) (- £11,668,000); Housing Supply and Demand (Section L) (- £159,000); Decent Places to Live (Section M) (-£3,350,000).

**Total change in resources for RfR1      103,386,000**

**RfR 2: Providing for effective devolved decision making within a national framework****Increases:**Take up of End Year Flexibility

To increase near-cash provision for Revenue Support Grants (Section E)(£27,500,000).      27,500,000

Transfer to voted spend*Capital grant*

To increase provision for Other Grants and Payments (resource grants) (Section H)(£3,000,000)      3,000,000

Grant in Aid

To increase grant in aid provision for Non-departmental public bodies (Section J)(£404,000)      404,000

Transfer from RfR1

To increase near-cash provision for Research, Publicity, Mapping and Electoral Costs (Section C)(£88,000).      88,000

**Decreases:**Transfers to non voted spend

To decrease near-cash provision for Other Grants and Payments (Section H)(£404,000)      -404,000

**Neutral Changes:**Spending offset by A-in-A

To increase provision for Other Grants and Payments (Section H) (£1,330,000) fully offset by Appropriation in Aid

**Neutral Changes:**Transfers between Sections within RfR2

Net increase in Revenue Support Grants (Section E)(£16,500,000) offset by net decreases in Best value inspection subsidies to Public Corporations & best value intervention costs (Section B)(£3,500,000) and of from Other Grants and Payments(resource grants) (Section H)(£13,000,000).

**Total change in resources for RfR2 30,588,000**

**Total change in resources for Estimate 133,974,000**

**Changes in capital****RfR1**Increase in Capital

Increase in Capital for Better Services (Section D)(£10,410,000), Central Administration (Section F)(£45,000) and Government Office Administration (Section G) (£330,000). 10,785,000

Decrease in Capital

Decrease in Capital for Housing Supply and Demand (Section A)(£1,300,000) and Central Administration (Section F)(£6,672,000). -7,972,000

**Total change in capital for Estimate 2,813,000**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £216,227,000
3. Symbols are explained in the Introduction to this booklet.

## Part I

£

<b>RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions</b>	†	<b>103,386,000</b>
<b>RfR 2: Providing for effective devolved decision making within a national framework</b>		<b>30,588,000</b>
Total additional net resource requirement		133,974,000
<b>Additional net cash requirement</b>	†	<b>216,227,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department for Communities and Local Government 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; 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 choicebased local authority lettings; grants and payments for the licencing and safety rating of landlords; to council tenant participation; housing transfers; 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; 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; exchange rate losses and other losses relating to European Regional Development Fund (ERDF) projects; Combined Universities of Cornwall; 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; purchase of fire radio systems; payments and loans to the Fire Service College (trading fund); Emergency Fire Service Closure costs; fire service pensions; fire service dispute(s); payments to Firebuy; mapping data and services; Ordnance Survey trading fund; regional assemblies; payments for the Mersey Basin Campaign; work on improving race, gender and faith equalities; payments to the Equality Opportunity Commission and the Commission for Racial Equality; costs associated with the setting up of the Commission for Equality and Human Rights; special grants paid under Section 31 of the Local Government Act 2003; special grants paid under Section 88B of the Local Government Act 1988; 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 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 2005-06 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 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 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 **Department for Communities and Local Government** will account for this Estimate.

† The responsibility for the work of the Deputy Prime Minister was transferred to the Deputy Prime Minister's Office on 5 May 2006. 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 reduced by £100,000 ;
- b) the net cash requirement is reduced by £100,000.

## 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
<b>RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Housing Supply and Demand	146,920	-149	-	-149	146,771
RfR 1 - B Decent Places To Live	44,194	35,418	-	35,418	79,612
RfR 1 - C Tackling Disadvantage	92,987	1,839	-	1,839	94,826
RfR 1 - D Better Services	106,304	-18,994	1,711	-20,705	85,599
RfR 1 - F Central Administration	214,957	99	3,325	-3,226	211,731
RfR 1 - G Government Office Administration	123,023	34,838	19,093	15,745	138,768
RfR 1 - I European Structural Funds -Communities and Local Government	7,974	41,975	-	41,975	49,949
RfR 1 - L Housing Supply and Demand	961,603	-10,909	-	-10,909	950,694
RfR 1 - M Decent Places to Live	-131,425	-8,064	-45,000	36,936	-94,489
RfR 1 - N Tackling Disadvantage	2,260,343	3,000	-	3,000	2,263,343
RfR 1 - O Better Services	44,136	4,658	-	4,658	48,794
RfR 1 - P Development of English Regions	290,942	-1,250	3,750	-5,000	285,942
<b>Non-Budget</b>					
RfR 1 - U Housing Supply and Demand	2,479,974	2,804	-	2,804	2,482,778
RfR 1 - X Tackling Disadvantage	27,980	1,000	-	1,000	28,980
<b>Total RfR 1</b>		<b>86,265</b>	<b>-17,121</b>	<b>103,386</b>	
<b>RfR 2: Providing for effective devolved decision making within a national framework</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 2 - B Best value inspection subsidies to Public Corporations & best value intervention costs	27,491	-3,500	-	-3,500	23,991
RfR 2 - C Local Government Research and Publicity, MAPPING costs and Electoral law	4,267	88	-	88	4,355
RfR 2 - E Revenue support grants	3,912,866	44,000	-	44,000	3,956,866
RfR 2 - H Other Grants and Payments (resource grants)	1,039,550	-9,074	1,330	-10,404	1,029,146
<b>Non-Budget</b>					
RfR 2 - J Non-departmental public bodies	21,704	404	-	404	22,108
<b>Total RfR 2</b>		<b>31,918</b>	<b>1,330</b>	<b>30,588</b>	
<b>Total Changes to RfRs</b>		<b>118,183</b>	<b>-15,791</b>	<b>133,974</b>	

**Department for Communities and Local Government****Spring Supplementary Estimate, 2006-07**

			<b>£000</b>
	<b>Present Provision</b>	<b>Change in Provision</b>	<b>New Provision</b>
<b>Capital and Cash</b>			
Total Capital Expenditure	49,863	2,813	52,676
Non-Operating A in A	107	-	107
<b>Net cash requirement</b>	<b>33,425,650</b>	<b>216,227</b>	<b>33,641,877</b>

**Part II: Revised subhead detail including additional provision**

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
<b>RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions</b>							
381,219	1,046,483	8,894,972	10,322,674	648,882	9,673,792	52,676	107
<b>Spending in Departmental Expenditure Limits (DEL)</b>							
<i>Central Government spending</i>							
A Housing Supply and Demand							
-	102,062	54,323	156,385	9,614	146,771	4,494	-
B Decent Places To Live							
-	7,964	71,648	79,612	-	79,612	-	-
C Tackling Disadvantage							
-	56,102	68,724	124,826	30,000	94,826	25	-
D Better Services							
1	90,347	2,704	93,052	7,453	85,599	27,250	25
E Development of English Regions							
-	520	1,329,146	1,329,666	-	1,329,666	-	-
F Central Administration							
208,968	44,988	42	253,998	42,267	211,731	15,079	-
G Government Office Administration							
172,250	3,000	-	175,250	36,482	138,768	5,548	-
H European Structural Funds - net							
-	-	1	1	-	1	-	-
I European Structural Funds -Communities and Local Government							
-	45,747	4,202	49,949	-	49,949	280	-
J Ordnance Survey							
-	-	1,320	1,320	1,340	-20	-	-
K Queen Elizabeth II Conference Centre Executive Agency							
-	-	117	117	1,409	-1,292	-	82
<i>Support for Local Authorities</i>							
L Housing Supply and Demand							
-	-	950,694	950,694	-	950,694	-	-
M Decent Places to Live							
-	-	5,511	5,511	100,000	-94,489	-	-
N Tackling Disadvantage							
-	-	2,263,343	2,263,343	-	2,263,343	-	-
O Better Services							
-	-	48,794	48,794	-	48,794	-	-
P Development of English Regions							
-	-	291,192	291,192	5,250	285,942	-	-
Q European Structural Funds - net							
-	-	1	1	-	1	-	-
<b>Spending in Annually Managed Expenditure (AME)</b>							
<i>Central Government spending</i>							

**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	
R	Decent Places to Live	-	695,819	-	695,819	-	-	
S	Better Services	-	-66	116	50	-	-	
<i>Support for Local Authorities</i>								
T	Better Services	-	-	148,000	148,000	-	-	
	<i>Housing Supply and Demand</i>	-	-	-	-	-	-	
<b>Non-Budget</b>								
U	Housing Supply and Demand	-	-	2,484,778	2,484,778	2,000	2,482,778	
V	Better Services	-	-	2,040	2,040	-	2,040	
W	Decent Places To Live	-	-	616,000	616,000	-	616,000	
X	Tackling Disadvantage	-	-	28,980	28,980	-	28,980	
	<i>European Structural Funds - Communities and Local Government</i>	-	-	-	-	-	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
Y	Local Area Agreements	-	-	-	413,067	-413,067	-	
<i>Support for Local Authorities</i>								
Z	Local Area Agreements	-	-	523,296	523,296	-	523,296	
<b>RfR 2: Providing for effective devolved decision making within a national framework</b>								
		-	196,272	23,675,318	23,871,590	1,795	23,869,795	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A	Valuation services	-	167,450	-	167,450	-	167,450	
B	Best value inspection subsidies to Public Corporations & best value intervention	-	23,991	-	23,991	-	23,991	
C	Local Government Research and Publicity, MAPPING costs and Electoral law	-	4,820	-	4,820	465	4,355	
D	Local Governance	-	11	-	11	-	11	
<i>Support for Local Authorities</i>								
E	Revenue support grants	-	-	3,956,866	3,956,866	-	3,956,866	

**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	
F	Non-domestic Rates Payments							
-	-	17,500,000	17,500,000	-	17,500,000	-	-	
G	London Governance							
-	-	37,868	37,868	-	37,868	-	-	
H	Other Grants and Payments (resource grants)							
-	-	1,030,476	1,030,476	1,330	1,029,146	-	-	
	<i>Other Grants and Payments (capital grants)</i>							
-	-	-	-	-	-	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<b>Support for Local Authorities</b>								
I	Non-domestic Rates Outturn Adjustments and LABGIS							
-	-	1,128,000	1,128,000	-	1,128,000	-	-	
<b>Non-Budget</b>								
J	Non-departmental public bodies							
-	-	22,108	22,108	-	22,108	-	-	
<b>Total for Estimate:</b>								
<b>381,219</b>	<b>1,242,755</b>	<b>32,570,290</b>	<b>34,194,264</b>	<b>650,677</b>	<b>33,543,587</b>	<b>52,676</b>	<b>107</b>	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net Resource Requirement</b>	<b>33,409,613</b>	<b>133,974</b>	<b>33,543,587</b>
<b>Voted capital items</b>			
Capital	49,863	2,813	52,676
<i>Less: Non-operating A in A</i>	<i>107</i>	<i>-</i>	<i>107</i>
<b>Total net voted capital</b>	<b>49,756</b>	<b>2,813</b>	<b>52,569</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-7,166	-4,909	-12,075
Depreciation	-32,360	-5,651	-38,011
New provisions and adjustments to previous provisions	-8,223	-	-8,223
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	50,000	50,000
Increase(-)/decrease (+) in creditors	-	40,000	40,000
Use of provisions	14,030	-	14,030
<b>Total accruals to cash adjustments</b>	<b>-33,719</b>	<b>79,440</b>	<b>45,721</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cash Requirement</b>	<b>33,425,650</b>	<b>216,227</b>	<b>33,641,877</b>

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

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

	<u>Present provision</u>		<u>New provision</u>	
	<b>Income</b>	<i>Receipts</i>	<b>Income</b>	<i>Receipts</i>
Operating income not classified as A in A	2,268,302	<i>2,266,513</i>	1,270,302	<i>1,270,302</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
<b>Total</b>	<b>2,268,302</b>	<i>2,266,513</i>	<b>1,270,302</b>	<i>1,270,302</i>

## Forecast Operating Cost Statement

	£'000
	2006-07 provision
<b>Net Administration Costs</b>	
RfR1	324,499
RfR2	-
<b>Total Net Administration Costs</b>	<b>324,499</b>
<b>Net Programme Costs</b>	
RfR1	6,858,572
RfR2	23,715,165
<b>Total Net Programme costs</b>	<b>30,573,737</b>
<b>Total Net Operating Cost</b>	<b>30,898,236</b>
<i>of which:</i>	
<b>Net Resource Requirement</b>	<b>33,543,587</b>
Non-voted expenditure	-1,375,049
Consolidated Fund Extra Receipts	-1,270,302
<b>Resource Budget</b>	<b>27,614,658</b>

## Notes to the Estimate

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

	£'000
	2006-07 Provision
<b>Net Resource Requirement (Estimates)</b>	<b>33,543,587</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-1,375,049
Consolidated Fund extra receipts in the OCS	-1,270,302
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>30,898,236</b>
<i>Adjustments to remove:</i>	
capital grants	-1,965,525
European Union income related to capital grants	-
voted expenditure outside the budget	-12,185
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	1,270,302
resource consumption of non departmental public bodies	-2,491,493
unallocated resource provision	19,691
Other adjustments	-104,368
<b>Resource Budget (Budget)</b>	<b>27,614,658</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	26,231,476
Annually Managed Expenditure (AME)	1,383,182

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
<b>Net Voted Capital (Estimates)</b>	<b>52,569</b>
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	2,343,391
capital grants	1,965,525
European Union income related to capital grants	-
supported capital expenditure (revenue)	1,252,289
capital spending by levy funded bodies	-
unallocated capital provision	138,992
Other adjustments	308,553
<b>Capital Budget (Budget)</b>	<b>6,061,319</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,061,319
Annually Managed Expenditure (AME)	-

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## Notes to the Estimate (*continued*)

### Explanation of Accounting Officer responsibilities

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

<b>Request for Resources 1</b>	Peter Housden, Permanent Head of the Department for Communities and Local Government
<b>Request for Resources 2</b>	Christopher Wormald, Additional Accounting Officer and Director General of the Governance and Communications Group of the Department

Peter Housden as the Principal Accounting Officer of the Department for Communities and Local Government 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 Communities and Local Government.

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.

In accordance with Government Accounting requirements the relationship between the Principal Accounting Officer and Additional Accounting Officer 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
	2006-07 Provision
<b>RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions</b>	
<b>Administration</b>	<b>55,104</b>
<i>of which:</i>	
Sale of goods and services	55,104
<b>Programme</b>	<b>593,778</b>
<i>of which:</i>	
Sale of goods and services	37,403
EU Income	-
Other grant income (including repayment of grants/subsidies)	1,822,034
Interest and dividends	4,643
CFERs	-1,270,302
Other income (including receipts)	-
<b>Total RfR1</b>	<b>648,882 †</b>
<p>† Amount that may be applied as operating 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 including contributions towards Local Area Agreements, 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; housing revenue 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; 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; dividend payment from Ordnance Survey; dividend payment from the Queen Elizabeth II Conference Centre and interest payments on voted loans; receipts from other government departments for research in support of fire and rescue services; receipts from medical appeals to cover BUPA expenditure; receipts from regional fire and rescue control 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 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 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.</p>	
<b>RfR 2: Providing for effective devolved decision making within a national framework</b>	
<b>Programme</b>	<b>1,795</b>
<i>of which:</i>	
Sale of goods and services	1,795
Regulatory licences, fines, penalties and taxes	-
<b>Total RfR2</b>	<b>1,795 †</b>
<p>† Amount that may be applied as operating appropriations 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</p>	
<b>Total Operating A in A</b>	<b>650,677</b>

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

<b>Programme</b>	<b>107</b>
<i>of which:</i>	
Sale of assets	-
Loan, etc, repayments	107

<b>Total RfR1</b>	<b>107 †</b>
† Amount 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.	
<b>Total Non - operating A in A</b>	<b>107</b>

## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund extra receipts

	£'000	
	2006-07 provision	
	Income	Receipts
Planning Inspectorate Executive Agency (fees received from appeals against enforcement notices) Φ	190	190
Central administration Φ	11	11
Pooled capital receipts from local authorities ●	660,000	660,000
Housing Revenue Account Subsidy Δ	590,101	590,101
Large Scale Voluntary Transfer Levy ●	20,000	20,000
<b>Total</b>	<b>1,270,302</b>	<b>1,270,302</b>

### Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	74,812	-27,892	26,004,477	226,999	26,231,476
<i>of which:</i>					
Administration budget*	5,852	-	324,499	-	324,499
Near-cash in RDEL	33,659	6,779	25,910,859	262,551	26,173,410
Capital**	58,397	-33,710	2,467,904	3,593,415	6,061,319
Less Depreciation†	-5,651	4,817	-38,011	1,488	-36,523
Total	127,558	-56,785	28,434,370	3,821,902	32,256,272

\* 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**  
650,784

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

## Notes to the Estimate (*continued*)

### Grants in Aid

RfR/Section	Body	£ million
<b>RfR 1</b>		
B	Commission for Architecture in the Built Environment ♥	6,400
E	Regional Development Agencies ♥	1,300,492
E	The Northern Way ♥	19,300
U	Housing Corporation ♥	2,069,051
U	Urban Regeneration Agency ♥	307,030
U	Other Growth Areas - Urban Regeneration Agency ♥	1,500
U	Other Growth Areas - West Northamptonshire Urban Development Corporation ♥	12,253
U	Thames Gateway - East England Development Agency ♥	2,900
U	Thames Gateway - South East England Development Agency ♥	700
U	Thames Gateway - Urban Regeneration Agency ♥	3,874
U	Thames Gateway - London Urban Development Corporation ♥	42,400
U	Thames Gateway - Thurrock Urban Development Corporation ♥	31,800
U	Leasehold Enfranchisement Advisory Service ♥	1,085
V	Firebuy ♥	2,040
X	Commission for Racial Equality ♥	19,100
X	Equal Opportunities Commission ♥	7,356
X	Community Development Foundation ♥	1,524
X	Commission for Equality and Human Rights ♥	1,000
<b>RfR 2</b>		
J	Standards Board for England ♥	11,885
J	Valuation Tribunal Service ♥	10,223

