

# Department for Business, Enterprise and Regulatory Reform

## Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<b><u>Changes in resources</u></b>			
<b>RfR 1: Increasing UK competitiveness</b>			
<u>Transfers to/from Central Funds</u>			
Programme costs			
B3	New provision for face to face debt advice, funded by an award from the Financial Inclusion Fund	2,762,000	
<u>Machinery of Government changes</u>			
Administration costs			
A1	Transfer of National Weights and Measures Laboratory to the Department for Innovation, Universities and Skills		-498,000
A5	Transfer of National Weights and Measures Laboratory to the Department for Innovation, Universities and Skills	498,000	
II	Transfer of Better Regulation Executive from the Cabinet Office	11,429,000	
L1	Transfer of Regional activities from the Department for Communities and Local Government	641,000	
L1	Transfer in respect of innovation to the Department for Innovation, Universities and Skills		-14,690,000
Programme costs			
A2	Transfer of National Weights and Measures Laboratory to the Department for Innovation, Universities and Skills		-214,000
A2	Transfer of National Measurement System to the Department for Innovation, Universities and Skills		-57,573,000
A2	Transfer of Civil Aircraft Research and Demonstration to the Department for Innovation, Universities and Skills		-3,500,000
A2/ A3	Transfer of Technology Strategy activities to the Department for Innovation, Universities and Skills		-178,300,000
A3	Transfer of UK Intellectual Property Office to the Department for Innovation, Universities and Skills		-1,955,000

A3	Transfer of Standards, Knowledge Transfer Partnerships, Legacy Schemes, and Corporate Social Responsibility to the Department for Innovation, Universities and Skills	-56,788,000
A3	Transfer of Space activities to the Department for Innovation, Universities and Skills	-27,707,000
A5	Transfer of Space activities to the Department for Innovation, Universities and Skills	57,000
B2	Transfer of Fair Markets activities associated with National Weights and Measures Laboratory to the Department for Innovation, Universities and Skills	-296,000
H2	Transfer in respect of legal costs to the Department for Innovation, Universities and Skills	-1,000,000
M3	Transfer of UK Intellectual Property Office trading standards activities to the Department for Innovation, Universities and Skills	-4,191,000
	Non- Budget	
T3	Cash consequences of Machinery of Government transfer of non-voted Design Council expenditure to the Department for Innovation, Universities and Skills	-6,500,000
V3	Transfer of refunds of pension adjustments to pensioners for UK income tax to the Department for Innovation, Universities and Skills	-392,000
	<u>Transfers of budgetary cover to/from other government departments</u>	
	Administration costs	
L1	Increase in provision for legal costs funded in budgetary terms by a transfer from the Cabinet Office in respect of the Parliamentary Counsel's Office	1,685,000
L1	Reduction in provision to fund transfer of budgetary cover to the Department for Communities and Local Government relating to earlier Machinery of Government Change relating to Women's Equality	-125,000
	Programme costs	
K3	Transfer from Ministry of Defence for Global Threat Reduction	4,000,000
	<u>Other changes in DEL spending</u>	
J2	Reclassification of Post Office restructuring costs from Annually Managed Expenditure to the Departmental Expenditure Limit	68,000,000
L1	Increase in administration costs arising from reclassification of consultancy fees and contract charges from programme costs	20,000,000
B2	Reduction in programme costs arising from reclassification of consultancy fees and contract costs to administration costs	-3,695,000

D2	Reduction in programme costs arising from reclassification of consultancy fees and contract costs to administration costs	-8,216,000
E3	Reduction in programme costs arising from reclassification of consultancy fees and contract costs to administration costs	-3,025,000
H2	Reduction in programme costs arising from reclassification of consultancy fees and contract costs to administration costs	-1,557,000
J2	Reduction in programme costs arising from reclassification of consultancy fees and contract costs to administration costs	-3,507,000

Changes in Annually Managed Expenditure (AME)

P2	Reclassification of Post Office restructuring costs from Annually Managed Expenditure to the Departmental Expenditure Limit	-68,000,000
P3	Increased forecast for Cost of Capital for Coal Investment Assets	77,400,000
Q3	Increased forecast for London Development Agency Corporation Tax	304,000

Other changesResource transfers within the Request for Resources

A1	Virement of residual administration costs relating to National Measurement System and National Weights and Measures Laboratory from Knowledge Transfer and Innovation following Machinery of Government changes	-7,401,000
L1	Virement of residual administration costs relating to National Measurement System and National Weights and Measures Laboratory to central Departmental administration following Machinery of Government changes	7,401,000
A2	Virement of non-cash budgets for which near-cash was transferred under Machinery of Government changes from Knowledge Transfer and Innovation	-25,268,000
L2	Virement of non-cash budgets for which near-cash was transferred under Machinery of Government changes to programmes supporting all objectives	25,268,000
A3	Virement of non-cash budgets for which near-cash was transferred under Machinery of Government changes from Knowledge Transfer and Innovation	-3,022,000
L2	Virement of non-cash budgets for which near-cash was transferred under Machinery of Government changes to programmes supporting all objectives	3,022,000
E3	Small Firms Loan Guarantee Scheme underspend vired to Ofcom and Home Shipbuilding Guarantee Scheme	-2,679,000
B2	Increase for Ofcom funded by virement from Small Firms Loan Guarantee Scheme	1,521,000
J2	Increase for Home Shipbuilding Guarantee Scheme funded by virement from Small Firms Loan Guarantee Scheme	1,158,000
E3	Small Firms Loan Guarantee Scheme noncash underspend vired to Insolvency Service and Concessionary Fuel	-20,000,000
I2	Insolvency Service noncash funded from Small Firms Loan Guarantee Scheme underspend	14,600,000

J3	Concessionary Fuel noncash funded from Small Firms Loan Guarantee Scheme underspend	5,400,000	
I2	Insolvency Service underspend vired to Fair Markets		-10,248,000
B2	Increase in Fair Markets programmes funded from Insolvency Service underspend	10,248,000	
D2	Renewable energy underspend vired to Better Regulation		-200,000
H2	Legal costs underspend vired to Better Regulation		-300,000
I2	Better Regulation funded from renewable energy and legal costs underspend	500,000	

Transfers to/from non-voted spending

A3	Virement of Regional Development Agencies non-voted budget to voted expenditure on Sustainability programmes	38,755,000	
E2	Virement of Regional Development Agencies non-voted budget to voted expenditure on Business programmes	11,245,000	
E2	Transfer of Small Business Service programme costs to Regional Development Agencies		-1,000,000
F3	Virement of Regional Selective Assistance capital grants underspend to non-voted expenditure by the Local Business Regulation Office		-10,000
I2	Virement of Insolvency Service underspend to non-voted expenditure by the Local Business Regulation Office		-2,000,000
L1	Transfer of Small Business Service administration costs to Regional Development Agencies programme costs		-700,000

Changes in non-budget spending

U3	Regional Development Agencies Grant in Aid increased to reflect correction to outturns in relation to Yorkshire Forward Leeds UDC Dowry	639,000	
U3	Cash consequences of virement from Small Business Service to non-voted expenditure of the Regional Development Agencies	1,000,000	
U3	Cash consequences of virement from Small Business Service administration to Regional Development Agencies	700,000	
U3	Cash consequences of virement of Regional Development Agencies non-voted budget to voted expenditure on Sustainability and Business		-50,000,000
V3	Cash consequences of virement of Regional Selective Assistance capital grants underspend to non-voted expenditure by the Local Business Regulation Office	10,000	
V3	Cash consequences of virement of Insolvency Service underspend to non-voted expenditure by the LBRO	2,000,000	

W3	Revised forecast for Coal Authority Grant in Aid	8,073,000	
W3	Nuclear Decommissioning Authority Grant in Aid increased to correct shortfall in Main Estimate figure	5,193,000	
W3	Nuclear Decommissioning Authority Grant in Aid increased to reflect cash requirement in excess of nearcash DEL	311,500,000	
<u>Transfers from capital grants to capital</u>			
F3	Underspend on Regional Selective Assistance vired to Departmental capital		-4,757,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
F5	Increased resource contributions for Regional Development Agencies from Other Government Departments		-5,671,000
U3	Increase in grant-in-aid for Regional Development Agencies offset by increase in Appropriations- in- Aid	5,671,000	
J5	Increase in Nuclear Decommissioning Authority commercial income		-891,095,000
W3	Increase in grant-in- aid for Nuclear Decommissioning Authority	891,095,000	
I2/ 15	Increase in gross expenditure for Insolvency Service offset by increased Appropriations-in-Aid	80,300,000	-80,300,000
		<u>Total</u>	
<b>Total change in resources for RfR1</b>		<b>1,612,075,000</b>	<b>-1,546,380,000</b>
			<b>65,695,000</b>

**RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society**

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
Administration costs			
H1	Transfer of Science and Engineering Base to the Department for Innovation, Universities and Skills		-3,500,000
I1	Transfer of Transdepartmental Science and Technology Group to the Department for Innovation, Universities and Skills		-5,000,000
<u>Programme costs</u>			
A3	Transfer of the Royal Society to the Department for Innovation, Universities and Skills		-41,072,000

B3	Transfer of the Royal Academy of Engineering to the Department for Innovation, Universities and Skills		-9,752,000
C3	Transfer of the British Academy to the Department for Innovation, Universities and Skills		-21,385,000
D3	Transfer of OST Initiatives to the Department for Innovation, Universities and Skills		-6,000,000
E3	Transfer of Science and Society to the Department for Innovation, Universities and Skills		-11,395,000
F3	Transfer of Knowledge Transfer to the Department for Innovation, Universities and Skills		-104,000,000
G3	Transfer of Science Research Investment Fund to the Department for Innovation, Universities and Skills		-300,000,000
J5	Transfer of the Biotechnology and Biological Sciences Research Council to the Department for Innovation, Universities and Skills	1,000,000	
K2	Transfer of Research Councils' Pension Scheme to the Department for Innovation, Universities and Skills		-18,097,000
	Non- Budget		
L3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Arts and Humanities Research Council to the Department for Innovation, Universities and Skills		-86,866,000
M3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Biotechnology and Biological Sciences Research Council to the Department for Innovation, Universities and Skills		-345,171,000
N3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Economic and Social Research Council to the Department for Innovation, Universities and Skills		-135,018,000
O3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Engineering and Physical Sciences Research Council to the Department for Innovation, Universities and Skills		-659,499,000
P3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Medical Research Council to the Department for Innovation, Universities and Skills		-479,574,000
Q3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Natural Environment Research Council to the Department for Innovation, Universities and Skills		-335,395,000
R3	Cash consequences of Machinery of Government transfer of the non-voted expenditure of the Science and Technology Facilities Council to the Department for Innovation, Universities and Skills		-458,478,000

S2	Machinery of Government transfer of Fees Payable under the Animals (Scientific Procedures) Act to the Department for Innovation, Universities and Skills	-175,000
----	--	----------

	<u>Total</u>	1,000,000	-3,020,377,000.
	<b>Total change in resources for RfR2</b>		<b>-3,019,377,000.</b>

	<b>Total change in resources for Estimate</b>	-2,953,682,000.
--	---	-----------------

**Changes in Capital**

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
----------------	--------------------------	------------------	-------------------

**RfR 1: Increasing UK competitiveness****Changes related to movements in budgets**Machinery of Government Changes

A8	Transfer of UK Intellectual Property Office non-operating appropriations in aid to the Department for Innovation, Universities and Skills	166,000	
A7	Transfer of National Weights and Measures Laboratory to the Department for Innovation, Universities and Skills		-231,000
A7	Transfer of National Measurement System to the Department for Innovation, Universities and Skills		-5,110,000
L7	Transfer of National Measurement System to the Department for Innovation, Universities and Skills		-4,757,000

Changes in Annually Managed Expenditure (AME)

P7	Utilisation of Royal Mail's agreed working capital facility	600,000,000	
----	---	-------------	--

**Other changes**Transfers from capital grants to capital

L7	Underspend on Regional Selective Assistance vired to Departmental capital	4,757,000	
----	---	-----------	--

	<u>Total</u>	604,923,000	-10,098,000.
	<b>Total change in capital for Estimate</b>		<b>594,825,000</b>

2. As a result of the above and non-cash adjustments, there is a reduction in the net cash requirement of £2,367,347,000

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

# Department for Business, Enterprise and Regulatory Reform †

## Part I

£

<b>RfR 1: Increasing UK competitiveness</b>	††	<b>65,695,000</b>
<b>RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society *</b>		<b>-3,019,377,000</b>
Total additional net resource requirement	†† *	-2,953,682,000
<b>Additional net cash requirement</b>	††	<b>-2,367,347,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Department for Business, Enterprise and Regulatory Reform

### RfR 1: Increasing UK competitiveness

Promotion of enterprise, innovation and increased productivity delivered through market solutions designed to meet market imperfections identified within the portfolios of international trade and investment, regional investment, enterprise for small firms and people & skills; support for business, including support for specific industries; small businesses, regional programmes and programmes to promote research and development, best practice and sustainable development ; promotion of strong, fair and competitive markets at home and abroad including fair and effective legal and regulatory frameworks and delivering regulatory reform; measures to protect investors, measures to promote the interests of consumers, support for employment relations programmes and measures to promote a skilled and flexible labour market; support for energy- related activities including measures related to regulation , civil emergency planning, environmental remediation and support for new and sustainable energy sources, global threat reduction programmes associated with nuclear, chemical and biological capabilities in the Former Soviet Union and other countries; the efficient management and discharge of liabilities falling to the Department including nuclear waste management and decommissioning and liabilities in respect of former coal and shipbuilding industry employees; exchange risk and other guarantee losses; subscriptions to international organisations and fulfilment of international treaty obligations; payments to other Government Departments and the Devolved Administrations in relation to programmes supporting BERR objectives; support for Government Offices; grants and grants-in-aid to organisations supporting BERR objectives, including Non-Departmental Public Bodies;

financial assistance including the provision of credit facilities to public corporations including Ofcom; managing the Government's shareholder interest in Royal Mail, British Energy, BNFL, UKAEA, Royal Mint, Partnerships UK and Actis; funding of the department's executive agencies ; issuing budgets and making payments to Regional Development Agencies, to which other government departments will contribute by supplying resources which BERR will appropriate in aid; payments to local authorities in respect of schemes supporting better regulation and New Burdens responsibilities; miscellaneous programmes including payments in respect of claims for the restitution of the property of victims of Nazi persecution, compensation for distant water trawlermen and assistance to redundant steelworkers and dismissed miners; departmental administration costs and a share of the administration costs of UK Trade & Investment; payments towards the expenses of the Office of Manpower Economics ; associated non-cash items.

**RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society**

Research Councils ; the Royal Society ; the Royal Academy of Engineering ; the British Academy ; Office of Science and Innovation initiatives; nuclear fusion; the Cambridge/Massachusetts Institute of Technology; the University Challenge Fund; the Joint Infrastructure Fund ; the Science Research Investment Fund; Foresight Link Awards; the Department for Education and Skills, for the Higher Education Innovation Fund; exploitation of discoveries at public sector research establishments ; the Foreign and Commonwealth Office for Dorothy Hodgkin Scholarships; fees payable under the Animals ( Scientific Procedures ) Act 1986; Research Council pensions; capital and administration costs of the Office of Science and Innovation and associated non-cash items.

The **Department for Business, Enterprise and Regulatory Reform** will account for this Estimate.

††,\* The function of science and innovation and ensuring world-class research and increased business innovation was transferred to the Department for Innovation, Universities and Skills on 28 June 2007. Within the overall changes sought in this Estimate the specific changes related to this Machinery of Government transfer are: (i) for RfR1 the Net Resource Requirement is reduced by £353,049,000 ; (ii) for RfR1 Operating appropriations in aid are reduced by £555,000; (iii) for RfR2 the Net Resource Requirement is reduced by £3,019,377,000; (iv) for RfR2 Operating appropriations in aid are reduced by £1,000,000; (v) Non-operating appropriations in aid are reduced by £166,000; and (vi) the Net Cash Requirement for the Estimate is reduced by £3,377,600,000.

†† The Function of the Regional PSA team was transferred from the Department for Communities and Local Government on 28 June 2007. Within the overall changes sought in this Estimate the specific changes related to this Machinery of Government transfer are: (i) for RfR1 the Net Resource Requirement is increased by £641,000; and (ii) the Net Cash Requirement for the Estimate is increased by £641,000.

†† The Function of the Better Regulation Executive was transferred from the Cabinet Office on 28 June 2007. Within the overall changes sought in this Estimate the specific changes related to this Machinery of Government transfer are: (i) for RfR1 the Net Resource Requirement is increased by £11,429,000; and (ii) the Net Cash Requirement for the Estimate is increased by £11,429,000.

† In the Main Estimate 2007-08 the department name for this Estimate was ' Department of Trade and Industry '

## Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
<b>RfR 1: Increasing UK competitiveness</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR 1 - A Knowledge Transfer and Innovation	334,122	-323,471	-555	-322,916	11,206
RfR 1- B Extending Competitive Markets	61,362	10,540	-	10,540	71,902
RfR 1- D Sustainability and the Environment	89,935	-8,416	-	-8,416	81,519
RfR 1- E Enterprise Growth and Business Investment	133,949	-15,459	-	-15,459	118,490
RfR 1- F Regional Economies	-1,704,076	-4,767	5,671	-10,438	-1,714,514
RfR 1- H Maximising Potential in the Workplace	57,629	-2,857	-	-2,857	54,772
RfR 1- I Corporate Activity and Insolvency Framework	55,126	94,581	80,300	14,281	69,407
RfR 1- J Assets and Liabilities	-70,578	71,051	891,095	-820,044	-890,622
RfR 1- K Nuclear Security and Export Control	51,391	4,000	-	4,000	55,391
RfR 1- L Activities in Support of all Objectives	272,430	42,502	-	42,502	314,932
<i>Support for Local Authorities</i>					
RfR 1-M Knowledge Transfer and Innovation	4,191	-4,191	-	-4,191	-
<b>Spending in Annually Managed Expenditure(AME)</b>					
<i>Central Government spending</i>					
RfR 1- P Assets and Liabilities	131,049	9,400	-	9,400	140,449
<i>Support for Local Authorities</i>					
RfR 1- Q Regional Economies	2,263	304	-	304	2,567
<b>Non-Budget</b>					
RfR 1- T Enterprise Growth and Business Investment	6,500	-6,500	-	-6,500	-
RfR 1- U Regional Economies	1,841,472	-41,990	-	-41,990	1,799,482
RfR 1- V Corporate Activity and Insolvency Framework	392	1,618	-	1,618	2,010
RfR 1- W Assets and Liabilities	1,875,171	1,215,861	-	1,215,861	3,091,032
					-
<b>Total RfR 1</b>		<b>1,042,206</b>	<b>976,511</b>	<b>65,695</b>	

### RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society

#### Spending in Departmental Expenditure Limits (DEL)

##### *Central Government spending*

RfR 2 - A The Royal Society	41,072	-41,072	-	-41,072	-
RfR 2 - B Royal Academy of Engineering	9,752	-9,752	-	-9,752	-
RfR 2 - C British Academy	21,385	-21,385	-	-21,385	-
RfR 2 - D OSI Initiatives	6,000	-6,000	-	-6,000	-

## Part II: Changes proposed

		<b>£'000</b>				
Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 2 - E	Science and Society	11,395	-11,395	-	-11,395	-
RfR 2 - F	Knowledge Transfer	104,000	-104,000	-	-104,000	-
RfR 2 - G	Science Research Investment Fund	300,000	-300,000	-	-300,000	-
RfR 2 - H	Science and Engineering Base Administration Costs	3,500	-3,500	-	-3,500	-
RfR 2 - I	Transdepartmental Science and Technology Group administration Costs	5,000	-5,000	-	-5,000	-
RfR 2 - J	Biotechnology and Biological Sciences Research Council	-1,000	-	-1,000	1,000	-
<b>Spending in Annually Managed Expenditure (AME)</b>						
<i>Central Government spending</i>						
RfR 2 - K	Research Councils' Pension Scheme	18,097	-18,097	-	-18,097	-
<b>Non-Budget</b>						
RfR 2 - L	Arts and Humanities Research Council	86,866	-86,866	-	-86,866	-
RfR 2 - M	Biotechnology and Biological Sciences Research Council	345,171	-345,171	-	-345,171	-
RfR 2 - N	Economic and Social Research Council	135,018	-135,018	-	-135,018	-
RfR 2 - O	Engineering and Physical Sciences Research Council	659,499	-659,499	-	-659,499	-
RfR 2 - P	Medical Research Council	479,574	-479,574	-	-479,574	-
RfR 2 - Q	Natural Environment Research Council	335,395	-335,395	-	-335,395	-
RfR 2 - R	Science and Technology Facilities Council	458,478	-458,478	-	-458,478	-
RfR 2 - S	Fees Payable under the Animals ( Scientific Procedures ) Act 1986	175	-175	-	-175	-
<b>Total RfR 2</b>		<b>-3,020,377      -1,000      -3,019,377</b>				
<b>Total Changes to RfRs</b>		<b>-1,978,171      975,511      -2,953,682</b>				

	Present Provision	Change in Provision	£000 New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	10,072,856	594,659	10,667,515
Non-Operating A in A	9,954,845	-166	9,954,679
<b>Net cash requirement</b>	<b>7,647,802</b>	<b>-2,367,347</b>	<b>5,280,455</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: Increasing UK competitiveness</b>								
340,643	1,070,281	5,681,153	7,092,077	3,376,616	3,715,461	10,667,515	9,954,679	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Knowledge Transfer and Innovation								
		11,206	11,206	-	11,206	-	-	
B Extending Competitive Markets								
-	126,280	41,108	167,388	95,486	71,902	-	-	
C Security of Energy Supply								
-	5,438	1,109	6,547	10,820	-4,273	-	-	
D Sustainability and the Environment								
-	11,719	69,800	81,519	-	81,519	-	-	
E Enterprise Growth and Business Investment								
-	72,692	54,748	127,440	8,950	118,490	61,000	-	
F Regional Economies								
-	950	28,233	29,183	1,743,697	-1,714,514	-	-	
G Trade and Investment								
33,928	-	-	33,928	412	33,516	-	-	
H Maximising Potential in the Workplace								
-	54,895	80	54,975	203	54,772	1,035	-	
I Corporate Activity and Insolvency Framework								
22,011	179,656	1,631	203,298	133,891	69,407	100	385	
J Assets and Liabilities								
4,933	457,387	24,908	487,228	1,377,850	-890,622	-	-	
K Nuclear Security and Export Control								
-	191	55,200	55,391	-	55,391	-	-	
L Activities in Support of all Objectives								
279,771	35,252	5,211	320,234	5,302	314,932	5,380	4,291	
<i>Support for Local Authorities</i>								
M Knowledge Transfer and Innovation								
-	-	-	-	-	-	-	-	
N Grants to London Development Agency								
-	-	391,184	391,184	-	391,184	-	-	
<b>Spending in Annually Managed Expenditure(AME)</b>								
<i>Central Government spending</i>								
O Maximising Potential in the Workplace								
-	-	35,000	35,000	-	35,000	-	-	
P Assets and Liabilities								
-	125,821	14,633	140,454	5	140,449	10,600,000	9,950,000	
<i>Activities in Support of all Objectives</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	
<b>Support for Local Authorities</b>								
Q	Regional Economies							
-	-	2,567	2,567	-	2,567	-	-	
<b>Non-Budget</b>								
R	Extending Competitive Markets							
-	-	38,311	38,311	-	38,311	-	-	
S	Security of Energy Supply							
-	-	10,700	10,700	-	10,700	-	-	
T	Enterprise Growth and Business Investment							
-	-	-	-	-	-	-	-	
U	Regional Economies							
-	-	1,799,482	1,799,482	-	1,799,482	-	-	
V	Corporate Activity and Insolvency Framework							
-	-	2,010	2,010	-	2,010	-	-	
W	Assets and Liabilities							
-	-	3,091,032	3,091,032	-	3,091,032	-	3	
X	Nuclear Security and Export Council							
-	-	3,000	3,000	-	3,000	-	-	
<b>RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society</b>								
-	-	-	-	-	-	-	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<b>Central Government spending</b>								
A	The Royal Society							
-	-	-	-	-	-	-	-	
B	Royal Academy of Engineering							
-	-	-	-	-	-	-	-	
C	British Academy							
-	-	-	-	-	-	-	-	
D	OSI Initiatives							
-	-	-	-	-	-	-	-	
E	Science and Society							
-	-	-	-	-	-	-	-	
F	Knowledge Transfer							
-	-	-	-	-	-	-	-	
G	Science Research Investment Fund							
-	-	-	-	-	-	-	-	
H	Science and Engineering Base Administration Costs							
-	-	-	-	-	-	-	-	
I	Transdepartmental Science and Technology Group administration Costs							
-	-	-	-	-	-	-	-	
J	Biotechnology and Biological Sciences Research Council							
-	-	-	-	-	-	-	-	

**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	
<i>Cambridge/Massachusetts Institute of Technology</i>								
-	-	-	-	-	-	-	-	-
<i>Foresight LINK Awards</i>								
-	-	-	-	-	-	-	-	-
<i>Joint Infrastructure Fund</i>								
-	-	-	-	-	-	-	-	-
<b>Spending in Annually Managed Expenditure (AME)</b>								
<b>Central Government spending</b>								
K Research Councils' Pension Scheme								
-	-	-	-	-	-	-	-	-
<b>Non-Budget</b>								
L Arts and Humanities Research Council								
-	-	-	-	-	-	-	-	-
M Biotechnology and Biological Sciences Research Council								
-	-	-	-	-	-	-	-	-
N Economic and Social Research Council								
-	-	-	-	-	-	-	-	-
O Engineering and Physical Sciences Research Council								
-	-	-	-	-	-	-	-	-
P Medical Research Council								
-	-	-	-	-	-	-	-	-
Q Natural Environment Research Council								
-	-	-	-	-	-	-	-	-
R Science and Technology Facilities Council								
-	-	-	-	-	-	-	-	-
S Fees Payable under the Animals ( Scientific Procedures ) Act 1986								
-	-	-	-	-	-	-	-	-
<i>Particle Physics and Astronomy Research Council</i>								
-	-	-	-	-	-	-	-	-
<i>Council for the Central Laboratory of the Research Councils</i>								
-	-	-	-	-	-	-	-	-
<i>Council for the Central Laboratory of the Research Councils - Diamond Synchrotron</i>								
-	-	-	-	-	-	-	-	-
<b>Total for Estimate:</b>								
<b>340,643</b>	<b>1,070,281</b>	<b>5,681,153</b>	<b>7,092,077</b>	<b>3,376,616</b>	<b>3,715,461</b>	<b>10,667,515</b>	<b>9,954,679</b>	

## Part II: Resource to cash reconciliation

	<b>Present</b>	<b>Increase (+)/ Decrease (-)</b>	<b>£'000 Revised</b>
<b>Net Resource Requirement</b>	<b>6,669,143</b>	<b>-2,953,682</b>	<b>3,715,461</b>
<b>Voted capital items</b>			
Capital	10,072,856	594,659	10,667,515
<i>Less: Non-operating A in A</i>	<i>9,954,845</i>	<i>-166</i>	<i>9,954,679</i>
<b>Total net voted capital</b>	<b>118,011</b>	<b>594,825</b>	<b>712,836</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-87,486	-86,028	-173,514
Depreciation	-41,445	3,170	-38,275
New provisions and adjustments to previous provisions	-90,142	14,600	-75,542
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-305	-	-305
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-6,000	-	-6,000
Increase(-)/decrease (+) in creditors	-	10,288	10,288
Use of provisions	1,086,026	49,480	1,135,506
<b>Total accruals to cash adjustments</b>	<b>860,648</b>	<b>-8,490</b>	<b>852,158</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cash Requirement</b>	<b>7,647,802</b>	<b>-2,367,347</b>	<b>5,280,455</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):

	<b>Present provision</b>		<b>New provision</b>	
	<b>Income</b>	<b>Receipts</b>	<b>Income</b>	<b>Receipts</b>
Operating income not classified as A in A	14,175	<i>14,175</i>	2,186	<i>2,186</i>
Non-operating income not classified as A in A	484,300	<i>484,300</i>	577,300	<i>577,300</i>
Other amounts collectable on behalf of the Consolidated Fund	77,782	<i>77,782</i>	77,782	<i>77,782</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
<b>Total</b>	<b>576,257</b>	<b>576,257</b>	<b>657,268</b>	<b>657,268</b>

## Forecast Operating Cost Statement

	£'000
	2007-08 provision
<b>Net Administration Costs</b>	
RfR1	326,709
RfR2	-
<b>Total Net Administration Costs</b>	<b>326,709</b>
<b>Net Programme Costs</b>	
RfR1	3,386,566
RfR2	-
Non-voted	258,809
<b>Total Net Programme costs</b>	<b>3,645,375</b>
<b>Total Net Operating Cost</b>	<b>3,972,084</b>
<i>of which:</i>	
<b>Net Resource Requirement</b>	<b>3,715,461</b>
Non-voted expenditure	258,809
Consolidated Fund Extra Receipts	-2,186
<b>Resource Budget</b>	<b>1,883,100</b>

## Notes to the Estimate

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

	£'000
	2007-08 Provision
<b>Net Resource Requirement (Estimates)</b>	<b>3,715,461</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	258,809
Consolidated Fund extra receipts in the OCS	-2,186
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>3,972,084</b>
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-306,003
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-4,200
resource consumption of non departmental public bodies	-1,778,781
unallocated resource provision	-
Other adjustments	-
<b>Resource Budget (Budget)</b>	<b>1,883,100</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2,229,140
Annually Managed Expenditure (AME)	-346,040

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
<b>Net Voted Capital (Estimates)</b>	<b>712,836</b>
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-577,300
capital spending by non departmental public bodies	938,866
capital grants	306,003
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	18,269
Other adjustments	3
<b>Capital Budget (Budget)</b>	<b>1,398,677</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,167,677
Annually Managed Expenditure (AME)	231,000

---

## 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**                      Sir Brian Bender, Permanent Head of the Department

**Request for Resources 2**                      Sir Brian Bender, Permanent Head of the Department

Sir Brian Bender as the Accounting Officer of the Department for Business , Enterprise and Regulatory Reform 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 Business, Enterprise and Regulatory Reform

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

## Notes to the Estimate (*continued*)

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

£'000

2007-08

#### RfR 1: Increasing UK competitiveness

<b>Administration</b>	<b>13,934</b>
<i>of which:</i>	
Sale of goods and services	13,934
<b>Programme</b>	<b>3,362,682</b>
<i>of which:</i>	
Sale of goods and services	1,473,893
Regulatory Licences, fines, penalties and taxes	88,058
EU Income	-
Other grant income ( including repayments of grants/subsidies)	1,800,731
Interest and Dividends	2,186
CFERS	-2,186

---

<b>Total RfR1</b>	<b>3,376,616 †</b>
-------------------	--------------------

*Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income from the European Union/ECSC and income relating to Regional Selective Assistance, flexible business support measures, the Small Business Service, Business Link Operators, Small Firms Loan Guarantee and other small firms support schemes, trade policy, e-commerce, energy and coal, sectoral support, receipts from the Department for Communities and Local Government, Department of Environment, Food and Rural Affairs, the Department for Innovation, Universities and Skills, the Department for Culture, Media and Sport and UK Trade & Investment in relation to Regional Development Agencies and the London Development Agency, the exchange risk guarantee scheme, national selective assistance to industry, the Office of Civil Nuclear Security, fees to advisers on privatisation and BNFL, and expenditure in the following areas: telecommunications, including licence fees, posts, civil aircraft research and demonstration,*

*aerospace, private sector shipbuilding, British Energy, redundant steelworkers, consumer and investor protection, employment relations including the promotion of Work-Life Balance, support for the construction industry, privatisation and sale of shares, legal services, consultancy, publications, secondments, departmental administration costs, central services, European Fast Stream, executive agencies and trading funds, including income relating to Ofcom; receipts from the Postal Services Commission and Office of Gas and Electricity Markets to cover the costs of the relevant Consumer Councils; receipts in connection with the coal subsistence adviser and the coal operating subsidy; the receipt of distributions from coal industry pension schemes other than distribution of surpluses; income relating to the dissolution of British Coal Corporation; income from the Department for Communities and Local Government in respect of the Framework V helpline; miscellaneous receipts from other Government Departments and other income from the Office of Gas and Electricity Markets.*

---

<b>Total Operating A in A</b>	<b>3,376,616</b>
-------------------------------	------------------

---

**Analysis of non - operating appropriations in aid (A in A)****RfR 1: Increasing UK competitiveness**

<b>Programme</b>	<b>9,954,679</b>
<i>of which:</i>	
Sale of assets	4,291
Loans, etc, repayments	10,527,688
CFERs	-577,300

---

<b>Total RfR1</b>	<b>9,954,679 †</b>
-------------------	--------------------

---

*† Amount that may be applied as non-operating appropriations in aid arising from: recovery of income from the sales of fixed assets and from sale of land by the Department and its executive agencies, repayment of loans.*

---

<b>Total Non-Operating A in A</b>	<b>9,954,679</b>
-----------------------------------	------------------

---

## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund extra receipts

		£'000	
		2007-08 provision	
		Income	Receipts
Distribution of surpluses from coal industry pension scheme	Δ	286,000	286,000
Release from Coal pensions Fund Investment Reserve	Δ	133,000	133,000
OFCOM	Φ	555	555
OFCOM	●	57,297	57,297
Companies House receipts from late filing penalties	●	12,000	12,000
Receipts of the Coal Authority	●	4,200	4,200
Privatisation of the coal industry, including property clawback receipts	Δ	4,200	4,200
Receipt of Dividend from the Companies House Executive Agency trading fund	Φ	1,582	1,582
Non- nuclear energy miscellaneous receipts	●	85	85
Interest on loans advanced by the S of S to the Companies House Executive Agency trading fund	Φ	49	49
Levies on sale of aero engines and airframes	Φ	158,300	158,300
<b>Total</b>		<b>657,268</b>	<b>657,268</b>

### Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	
Resource DEL	-1,243,051	-2,519,614	-645,427	2,874,567	2,229,140
<i>of which:</i>					
Administration budget †	9,740	-	326,709	-	326,709
Near-cash in RDEL	-1,233,909	-2,383,626	-798,609	2,930,512	2,131,903
Capital DEL ††	-376,226	390,747	-698,824	1,866,501	1,167,677
Less Depreciation †††	3,170	55,115	-38,275	-9,129	-47,404
Total DEL	-1,616,107	-2,073,752	-1,382,526	4,731,939	3,349,413

† The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

### Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	13,331,295

## Notes to the Estimate (*continued*)

### Grants in Aid

RfR/Section	Body	£ '000
RfR1- H	Advisory, Conciliation and Arbitration Service ♥	40,037
RfR1- B	The National Association of Citizen's Advice Bureaux ♥	23,855
RfR1- B	Citizen's Advice Scotland ♥	3,240
RfR1- R	The National Consumer Council ♥	3,271
RfR1- S	Energy Watch ♥	10,700
RfR1- R	Postwatch ♥	9,170
RfR1- R	The Competition Commission and the Competition Service♥	25,070
RfR1- W	The Coal Authority ♥	27,700
RfR1- V	Local Better Regulation Office ♥	2,010
RfR1- U	The Regional Development Agencies ♥	1,799,482
RfR1- W	The United Kingdom Atomic Energy Authority ♥	10,237
RfR1- W	The Nuclear Decommissioning Authority ♥	3,053,095
RfR1- X	The Civil Nuclear Police Authority ♥	3,000
	<b>Total</b>	<b>5,010,867</b>

### International Subscriptions

RfR/Section	Body	£ '000
RfR1	World Trade Organisation	4,198
	International Telecommunications Union	1,888
	Universal Postal Union	477
	International Atomic Energy Authority	13,198
	Organisation for the Prohibition of Chemical Weapons	4,332