
Cabinet Office: Civil superannuation

Introduction

1. This Estimate covers the payment and associated non-cash items of pensions and other benefits to persons covered by the Principal Civil Service Pension Scheme (PCSPS) and certain other statutory schemes, including schemes for civil servants made under the Superannuation Act 1972.
2. Provision is also made for the payment of annual compensation arising from early retirement that was pre-funded by employers covered by the Civil Service Compensation Scheme (CSCS) in previous years, and surrendered as extra receipts to the Consolidated Fund. The scheme for the central funding of early departures, announced in the White Paper: Continuity and Change (Cm 2627) ended on 31 March 1997. Provision for residual expenditure under that scheme is also included.
3. PCSPS employers meet the cost of pension cover for their staff by payment of charges set on an accruals basis. These charges, along with scheme members' contributions, are appropriated in aid of this Estimate.
4. This Estimate also includes the Security Service and Secret Intelligence Service superannuation.
5. Symbols are explained in the Introduction to this booklet.

Part I

	£
Request for Resources 1: Civil superannuation	5,982,596,000
Total net resource requirement	5,982,596,000
Net cash requirement	495,000,000

Amounts required in the year ending 31 March 2007 for expenditure by the Cabinet Office: Civil superannuation on:

RfR 1: Civil superannuation

the superannuation of civil servants; pensions etc., and other pensions and non-recurrent payments; for other related services and associated non-cash items.

The **Cabinet Office** will account for this Estimate.

	Net total	Allocated in Vote on Account	Balance to complete
RfR 1	5,982,596,000	2,539,373,000	3,443,223,000
Total net resource requirement	5,982,596,000	2,539,373,000	3,443,223,000
Net cash requirement	495,000,000	375,750,000	119,250,000

Part II: Subhead detail

										£'000	
2006-07 Provision										2005-06 Provision	2004-05 Outturn
Resources						Capital Non- operating A		Net Total Resources	Net Total Resources		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	in A	9	10		
1	2	3	4	5	6	7	8	9	10		
RfR 1: Civil superannuation											
-	-	9,207,504	9,207,504	3,224,908	5,982,596	-	-	5,923,051	5,526,019		
Spending in Annually Managed Expenditure (AME)											
<i>Central Government spending</i>											
A Civil superannuation											
-	-	9,207,504	9,207,504	3,224,908	5,982,596	-	-	5,923,051	5,526,019		
Total for Estimate:											
-	-	9,207,504	9,207,504	3,224,908	5,982,596	-	-	5,923,051	5,526,019		

Part II: Resource to cash reconciliation

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Resource Requirement	5,982,596	5,923,051	5,526,019
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-9,199,504	-9,356,751	-7,684,456
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-165,000	668,000	4,784
Increase (-) / Decrease (+) in creditors	3,938	7,277	-57
Use of provisions	3,872,970	3,593,423	3,346,975
Total accruals to cash adjustments	-5,487,596	-5,088,051	-4,332,754
Excess cash to be CFERd	-	-	-
Net Cash Requirement	495,000	835,000	1,193,265

Part III: Extra receipts payable to the Consolidated Fund

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

	£'000					
	2006-07		2005-06		2004-05	
	Provision		Provision		Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	100,000	-	147,603	<i>100,026</i>
Non-operating income not classified as A in A	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	136	<i>136</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
Total	-	-	100,000	-	147,739	<i>100,162</i>

Forecast Combined Revenue Account

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Programme Costs			
RfR 1	5,982,596	5,823,051	5,378,416
<i>of which:</i>			
Income			
Contributions received	2,968,908	2,778,700	1,947,720
Transfers in	169,000	584,000	176,594
Other income receivable	87,000	81,000	45,992
	3,224,908	3,443,700	2,170,306
Expenditure			
Increase in liability	3,742,709	4,191,568	2,925,513
Interest on scheme liability	5,456,795	5,165,183	4,758,943
Other expenditure	8,000	10,000	11,869
	9,207,504	9,366,751	7,696,325
Total Net Programme costs	5,982,596	5,823,051	5,378,416
Total Net Operating Cost	5,982,596	5,823,051	5,378,416
<i>of which:</i>			
Net Resource Requirement	5,982,596	5,923,051	5,526,019
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-	-100,000	-147,603
Resource Budget	5,982,596	5,823,051	5,378,416

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Resource Requirement (Estimates)	5,982,596	5,923,051	5,526,019
<i>Adjustments to remove:</i>			
Provision voted for earlier years	-	-	-
<i>Adjustments to additionally include:</i>			
Non-voted expenditure in the OCS	-	-	-
Consolidated Fund Extra Receipts in the OCS	-	-100,000	-147,603
Other adjustments	-	-	-
Net Operating Cost (Accounts)	5,982,596	5,823,051	5,378,416
<i>Adjustments to remove:</i>			
Capital grants	-	-	-
European Union income related to capital grants	-	-	-
Voted expenditure outside the budget	-	-	-
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Resource consumption of non departmental public bodies	-	-	-
Unallocated resource provision	-	-	-
Other adjustments	-	-	-
Resource Budget (Budget)	5,982,596	5,823,051	5,378,416
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	-	-	-
Annually Managed Expenditure (AME)	5,982,596	5,823,051	5,378,416

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Voted Capital (Estimates)	-	-	-
<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	-	-	-
Capital grants	-	-	-
European Union income related to capital grants	-	-	-
Supported capital expenditure (revenue)	-	-	-
Capital spending by levy funded bodies	-	-	-
Unallocated capital provision	-	-	-
Other adjustments	-	-	-
Capital Budget (Budget)	-	-	-
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	-	-	-
Annually Managed Expenditure (AME)	-	-	-

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1: Sir Gus O'Donnell, Permanent Head of the Department

Sir Gus O' Donnell as the Accounting Officer of the Cabinet Office: Civil superannuation 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 Cabinet Office: Civil superannuation.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
RfR 1: Civil superannuation			
Programme	3,224,908	3,443,700	2,170,306
<i>of which:</i>			
Pension scheme related income	3,224,908	3,543,700	2,317,909
CFERs	-	-100,000	-147,603
Total RfR 1	3,224,908†	3,443,700	2,170,306
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges received from departments and others on account of the cost of pension cover provided for their staff; periodical contributions for widows', widowers' and dependants' benefits, other superannuation contributions and transfer values and bulk transfer value receipts.			
Total Operating A in A	3,224,908	3,443,700	2,170,306

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000					
	2006-07		2005-06		2004-05	
	Provision		Provision		Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Excess cash receipts Δ	-	-	100,000	-	147,603	100,026
Other CFERs Δ	-	-	-	-	136	136
Total	-	-	100,000	-	147,739	100,162

Notes to the Main Estimate (*continued*)

Comparison of provision sought with final provision

The total net resource sought for 2006-07 of £5,982,596,000 is 1.0 per cent higher than the final net provision for 2005-06 of £5,923,051,000.

Cash which may be retained to offset expenditure

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	3,224,908	3,443,700	2,170,306

