

Department for Education and Skills

Introduction

1. This Estimate provides for expenditure by the Department for Education and Skills and the Sure Start Unit in pursuit of the functions reflected in the section headings. It also provides for administrative expenditure by those bodies used in implementing and evaluating policy and on central services.
2. More details about the expenditure supporting the department's objectives are set out in the departmental report (Cm 7092).
3. The Sure Start Unit is a cross-departmental programme to support the development of young children and their families through Sure Start programmes, Childcare and Early Years initiatives. It has its own Public Service Agreement and the Ministers responsible for this Public Service Agreement are the Secretary of State for Work and Pensions and the Secretary of State for Education and Skills, as responsible Cabinet Ministers.
4. Symbols are explained in the Introduction to this booklet.

Department for Education and Skills

Part I

	£
Request for Resources 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills	60,631,951,000
Request for Resources 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,759,379,000
Request for Resources 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund	190,100,000
Total net resource requirement	62,581,430,000
Net cash requirement	64,417,254,000

Amounts required in the year ending 31 March 2008 for expenditure by the Department for Education and Skills on:

RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills

loans to voluntary aided schools; provision relating to former grant-maintained schools; the Assisted Places Scheme; music and dance schools; support for the Academy of Gifted and Talented Youth; City Technology Colleges; support for Academies; the school curriculum and its assessment; modernising the teaching profession and other educational services and initiatives; initiatives to write-off student loans to teachers in England and Wales; class size reductions; school and local education authority intervention; specialist schools; excellence in cities and other specific grants to local authorities including those through the Standards Fund; Dedicated School Grants; grants in aid to the National College for School Leadership, the Training and Development Agency for Schools, the British Educational Communications and Technology Agency, the Schools Food Trust, the Qualifications and Curriculum Authority and the Partnerships for Schools; support for the Centre for Information Learning Technology;

support for Teachers TV; capital grants to schools including those through the Standards Fund; the Youth Service; careers guidance and services including through the Connexions Service including working capital grants and loans for capital purchases; higher, further and other education provision and initiatives, including the Higher Education Innovation Fund, the Science and Research Investment Fund and Higher Education Business Fellows; capital grants to music, dance and other schools; payments for education in prisons and other custodial institutions; student grants; the payment of access funds and education maintenance allowances; the provision of training and assessment programmes for young people and adults; initiatives to improve education, training and qualifications arrangements and access to these; the promotion of enterprise, including Career Development Loans; teacher training initiatives;

payments to the Department for Work and Pensions to support the UK subscription to the International Labour Organisation and other international educational programmes; payments to support other international education and skills programmes; costs associated with the UK presidency of the European Union; Millennium Volunteers; payments to the Home Office to support the Criminal Records Bureau and the payment of certain fees; loans and grants to the University for Industry; payments and grants to support personal and children's social services and initiatives relating to teenage pregnancy, hospital and community health services; children, secure accommodation and family policy; family parenting and law grants; Grants in Aid to the Children and Family Court Advisory and Support Service and the Children's Commissioner; payments and grants to support parenting and parenting organisations; grants to support Strengthening Families, Marriages and Relationships; payments to support the Respect Agenda(including Family Intervention) payments to support and develop vetting and barring;

payments to the Department for Communities and Local Government to support Local Area Agreements including those for Children's Fund ; investments and loans to support PFI; payments related to the Sector Skills Councils; payments to the Arts Council for Arts and Drama initiatives; payments to the Department of Trade and Industry in connection with the Regional Development Agencies and the London Development Agency; loans and residual costs of the winding up of the Training and Enterprise Councils (TECs); the distribution of residual TEC assets, returned to the Secretary of State under the terms of the TEC Licence, to local voluntary, community and business support organisations; the resource consequences of loans to students, reimbursement of fees for qualifying European Community students and post graduate awards; mandatory student awards and their administration; student loans and the cost of sales of the student loans debt; grants to the Royal Anniversary Trust; set up costs for the Commissioner for Employment and Skills ;

grants in aid to the Higher Education Funding Council for England, the Learning and Skills Council, Investors in People UK, the Student Loans Company, Office for Fair Access, the Quality Improvement Agency and Sector Skills Development Agency; grant in aid, grants and working capital loans to the General Teaching Council; the Department's own administration and research and payments for the administration of teachers' pensions; information and publicity services; initiatives and programmes supported by the European Union, the Capital Modernisation Fund and with other Government Department's under the Invest to Save Budget; compensation payments to teachers and staff of certain institutions and teachers' medical fees; and associated non-cash items.

RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare

promoting the physical, intellectual and social development of babies and young children; childcare initiatives including quality assurance arrangements, children's centres; the education of under-fives; supporting families and communities; evaluating the programme; Sure Start payments to the Department for Communities and Local Government to support Local Area Agreements; the administration of the Sure Start Unit; and associated non-cash items.

RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund

payments and grants to support people, funding preventative services, primarily for 5 to 13-year-olds, through local partnerships in line with the objectives of the Children's Fund; funding voluntary groups countering social exclusion and poverty amongst children and young people in line with the objectives of the Children's Fund; supporting voluntary groups and other organisations to promote and facilitate consultation, participation and representation of children and young people including the UK youth Parliament; Children's Fund Support for Pilot Local Area Agreements; monitoring and evaluating the Children's Fund; and associated non-cash items

The **Department for Education and Skills** will account for this Estimate.

	Net total	Allocated in Vote on Account	Balance to complete
RfR 1	60,631,951,000	26,972,528,000	33,659,423,000
RfR 2	1,759,379,000	818,805,000	940,574,000
RfR 3	190,100,000	91,248,000	98,852,000
Total net resource requirement	62,581,430,000	27,882,581,000	34,698,849,000
Net cash requirement	64,417,254,000	28,846,668,000	35,570,586,000

Part II: Subhead detail

£'000

2007-08 Provision						2006-07 Provision	2005-06 Outturn		
Resources						Capital		Net Total Resources	Net Total Resources
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8	9	10
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills									
239,943	268,449	61,015,580	61,523,972	892,021	60,631,951	4,335,399	621,655	57,362,296	27,013,271
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Activities to Support all Functions								
239,943	49,302	16,007	305,252	7,624	297,628	10,170	575	364,907	274,986
B	Support for Schools and Teachers not through Local Education Authorities								
-	14,100	1,002,255	1,016,355	-	1,016,355	-	-	1,390,913	910,992
C	Support for Children and Families not paid through Local Authorities								
-	40,985	830,441	871,426	-	871,426	-	-	705,112	732,566
D	Higher Education								
-	82,630	110,626	193,256	220	193,036	-	-	106,626	88,917
E	Higher Education Receipts from the Department of Trade and Industry								
-	-	-	-	363,676	-363,676	-	-	-279,118	-365,701
F	Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes								
-	81,432	708,236	789,668	5,501	784,167	-	-	301,303	375,358
G	Support for Students in Higher Education								
-	-	2,342,283	2,342,283	-	2,342,283	-	-	2,102,891	1,636,311
H	Compensation to Former College of Education Staff								
-	-	11,870	11,870	-	11,870	-	-	11,360	11,239
I	Current Grants for Local Area Agreements to Support Children and Families								
-	-	328,691	328,691	-	328,691	-	-	137,947	-
<i>Support for Local Authorities</i>									
J	Current Grants for Local Education Authorities to Support Schools and Teachers								
-	-	4,427,268	4,427,268	-	4,427,268	-	-	4,024,172	3,864,763
K	Capital Grants for Local Education Authorities to Support Schools								
-	-	3,444,169	3,444,169	-	3,444,169	-	-	3,035,240	2,399,851
L	Higher Education Fees and Awards through Local Education Authorities								
-	-	1,000	1,000	-	1,000	-	-	11,464	10,996

Part II: Subhead detail

£'000

2007-08 Provision								2006-07 Provision	2005-06 Outturn	
Resources						Capital		Net Total Resources	Net Total Resources	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A			
1	2	3	4	5	6	7	8	9	10	
M	Current Grants to Local Authorities to support Children and Families									
	-	-	57,200	57,200	-	57,200	-	-	262,072	299,289
N	Capital Grants to Local Authorities to support Children and Families									
	-	-	55,228	55,228	-	55,228	-	-	41,140	18,876
O	Dedicated School Grants									
	-	-	28,286,881	28,286,881	-	28,286,881	-	-	26,621,417	-
Spending in Annually Managed Expenditure (AME)										
<i>Central Government spending</i>										
P	Loans to Students									
	-	-	-	-	515,000	-515,000	4,325,229	621,080	-472,000	-351,887
Non-Budget										
Q	Grant in Aid to NDPBs supporting Schools									
	-	-	739,295	739,295	-	739,295	-	-	842,841	766,490
R	Grant in Aid to NDPBs supporting Children and Families									
	-	-	99,480	99,480	-	99,480	-	-	107,624	102,926
S	Loans to Students and Grant in Aid to NDPBs supporting Higher Education									
	-	-	7,276,930	7,276,930	-	7,276,930	-	-	7,030,710	6,185,237
T	Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills and Lifelong Learning									
	-	-	11,277,720	11,277,720	-	11,277,720	-	-	11,015,675	10,052,062
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare										
	-	72,312	1,687,067	1,759,379	-	1,759,379	-	-	1,539,967	1,239,556
Spending in Departmental Expenditure Limits (DEL)										
<i>Central Government spending</i>										
A	Sure Start Current grants not through Local Authorities									
	-	72,312	21,400	93,712	-	93,712	-	-	73,674	485,485
B	Sure Start Schools Current Grants not through Local Authorities									
	-	-	43,340	43,340	-	43,340	-	-	24,860	-
C	Sure Start Current Grants for Local Area Agreements									
	-	-	1	1	-	1	-	-	207,326	-

Part II: Subhead detail

£'000

2007-08 Provision						2006-07 Provision	2005-06 Outturn				
Resources						Capital		Net Total Resources	Net Total Resources		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A				
1	2	3	4	5	6	7	8	9	10		
<i>Support for Local Authorities</i>											
D	LA Current Grants	-	-	1,099,301	1,099,301	-	-	1,099,301	-	816,082	488,276
E	LA Capital Grants	-	-	523,025	523,025	-	-	523,025	-	418,025	265,795
RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund											
		-	-	190,100	190,100	-	-	190,100	-	145,796	168,842
Spending in Departmental Expenditure Limits (DEL)											
<i>Central Government spending</i>											
A	Children's Fund	-	-	40,000	40,000	-	-	40,000	-	39,870	39,672
<i>Support for Local Authorities</i>											
B	LA Current Grants	-	-	150,100	150,100	-	-	150,100	-	105,926	129,170
Total for Estimate:											
		239,943	340,761	62,892,747	63,473,451	892,021	62,581,430	4,335,399	621,655	59,048,059	28,421,669

Part II: Resource to cash reconciliation

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Resource Requirement	62,581,430	59,048,059	28,421,669
Voted capital items			
Capital	4,335,399	3,585,170	2,473,703
Less Non-operating A-in-A	621,655	553,853	400,044
Total net voted capital	3,713,744	3,031,317	2,073,659
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,177	-3,970	-237,752
Depreciation	-20,699	-9,175	-10,468
New provisions and adjustments to previous provisions	-1,424,074	-1,270,039	-231,050
Profit/loss on sale of assets	-	-	4
Prior period adjustments	-	-	-
Other non-cash items	-515,450	-472,450	-300
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	7,226	7,384	-29,235
Increase (-) / Decrease (+) in creditors	-17,394	-17,777	162,096
Use of provisions	95,648	46,268	36,895
Total accruals to cash adjustments	-1,877,920	-1,719,759	-309,810
Excess cash to be CFERd	-	-	-
Net Cash Requirement	64,417,254	60,359,617	30,185,518

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					
	2007-08		2006-07		2005-06	
	Provision		Provision		Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-	98,655	98,146
Other amounts collectable on behalf of the Consolidated Fund	101,194	94,125	156,413	75,300	1,949	1,764
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
Total	101,194	<i>94,125</i>	156,413	<i>75,300</i>	100,604	<i>99,910</i>

Forecast Operating Cost Statement

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Administration Costs			
RfR 1	237,698	249,591	239,480
RfR 2	-	-	-
RfR 3	-	-	-
Total Net Administration costs	237,698	249,591	239,480
Net Programme Costs			
RfR 1	60,394,253	57,112,705	26,773,791
RfR 2	1,759,379	1,539,967	1,239,556
RfR 3	190,100	145,796	168,842
Total Net Programme costs	62,343,732	58,798,468	28,182,189
Total Net Operating Cost	62,581,430	59,048,059	28,421,669
<i>of which:</i>			
Net Resource Requirement	62,581,430	59,048,059	28,421,669
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-	-	-
Resource Budget	57,338,352	53,949,567	25,031,514

Notes to the Main Estimate (*continued*)

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2007-08	2006-07	2005-06
	Provision	Provision	Outturn
Net Resource Requirement (Estimates)	62,581,430	59,048,059	28,421,669
<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	-	-	-
Other adjustments	-	-	-
Net Operating Cost (Accounts)	62,581,430	59,048,059	28,421,669
<i>Adjustments to remove:</i>			
Gains / losses from sale of capital assets	-	-	4
Capital grants	-4,180,524	-3,990,737	-3,027,905
European Union income related to capital grants	-	-	-
Voted expenditure outside the budget	-	-	435,175
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Resource consumption of non departmental public bodies	-1,130,832	-1,107,755	-797,429
Unallocated resource provision	68,278	-	-
Other adjustments	-	-	-
Resource Budget (Budget)	57,338,352	53,949,567	25,031,514
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	57,671,175	54,255,278	25,232,708
Annually Managed Expenditure (AME)	-332,823	-305,711	-201,194

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2007-08	2006-07	2005-06
	Provision	Provision	Outturn
Net Voted Capital (Estimates)	3,713,744	3,031,317	2,073,659
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Capital spending by non-departmental public bodies	1,345,733	1,213,040	1,295,667
Capital grants	4,180,524	3,990,737	3,027,905
European Union income related to capital grants	-	-	-
Supported capital expenditure (revenue)	1,454,002	1,042,302	1,374,668
Capital spending by levy funded bodies	-	-	-
Unallocated capital provision	8,227	26,907	-
Other adjustments	-	-	-
Capital Budget (Budget)	10,702,230	9,304,303	7,771,899
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	6,994,323	6,279,571	5,705,050
Annually Managed Expenditure (AME)	3,707,907	3,024,732	2,066,849

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1: Mr David Bell, Permanent Head of the Department

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

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

Mr David Bell, Permanent Head of Department as the Accounting Officer of the Department for Education and Skills has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Education and Skills.

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

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills			
Administration	2,245	4,123	2,300
<i>of which:</i>			
Sale of goods and services	2,245	4,123	2,300
Programme	889,776	790,797	739,630
<i>of which:</i>			
Sale of goods and services	5,529	11,423	10,264
EU Income	220	109	109
Other grant income (including repayments of grants/subsidies)	366,756	285,256	370,225
Interest and dividends	515,000	472,000	352,475
Other income (including receipts)	2,271	22,009	6,557
Total RfR 1	892,021†	794,920	741,930

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: European Fast Stream receipts; repayment of career development loans; repayments of working capital loans; receipts in respect of career development loans default recoveries by banks; sale of National Record of Achievement products; receipts in connection with Childcare Link; Training and Enterprise Councils (TECs) contributions towards the cost of Individual Learning Accounts; receipts covering the return of assets from TECs as part of their winding-up process; recovery of salaries, etc. for seconded staff; receipts from careers service conferences; receipts relating to Skills Training Agency, Qualifications and Curriculum Authority properties and surplus Funding Agency for Schools and TEC properties; receipts from the sale of surplus properties; receipts from outside organisations (including the EC) in respect of advertising and publicity activities and materials; sale of research publications;

repayments of grants overpaid to voluntary aided and special schools in previous years, including repayment of proceeds of sale; receipts from the European Social Fund to cover departmental programmes supported by the EC; general administration receipts, including those in connection with services provided to Sure Start; profits on the sale of surplus equipment and other assets; repayment of fees and awards overpaid to Higher Education students; receipts from the Department of Trade and Industry in connection with the Higher Education Reach Out to Business and the Community Fund, the Higher Education Innovation Fund, Higher Education Business Fellows, Sector Challenge, Knowledge Transfer for Universities and the Science and Research Investment Fund; from the Home Office as a contribution to the Home Start programme; sales of Connexions priced publications; Offender Education Receipts; Activities for Young People receipts; Sponsorship Funding;

rent income from three domestic properties on the estate of the European School at Culham, Oxfordshire; contributions from the National Assembly for Wales towards Key Skills; contributions from the National Assembly for Wales and the Scottish Executive for dance and drama students; contributions from the Scottish Executive, the National Assembly for Wales, and the Northern Ireland Executive towards Millennium Volunteers and miscellaneous European Education programmes; contributions from the National Assembly for Wales and the Northern Ireland Executive for the International Mathematics Olympiad; annual maintenance fee from the Northern Ireland Executive for the National Professional Qualification for Headship; contributions from other government departments and other sources towards the costs of promoting UK education and training overseas; receipts for Teachers TV; International Receipts (including the EC); Schools Standard Fund receipts; Music Manifesto Champion; Food Standards Agency receipts; and of research and miscellaneous services and projects;

inspection of Jobcentre Plus from the Department of Work and Pensions; Strengthening Families receipts from the Home Office; Literacy and Numeracy receipts; London Challenge receipts; receipts from the Department of Health for Investors in People Healthy Organisations; Student loan interest receivable

RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare

Programme	-	-	290
<i>of which:</i>			
Sale of goods and services	-	-	290
Total RfR 2	-	-	290

Total Operating A in A	892,021	794,920	742,220
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Analysis of non-operating appropriations in aid (A in A)

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills			
Programme	621,655	553,853	400,044
<i>of which:</i>			
Sale of assets	575	575	4
Loan, etc, repayments	621,080	553,278	400,040
Total RfR 1	621,655†	553,853	400,044
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: the repayment of principal on student loans; repayment of loans to former grant-maintained schools and discretionary loans paid under Schedule 3 of the School Standards and Framework Act 1998 and from the sale of surplus land, buildings and equipment.</i>			
Total Non-Operating A in A	621,655	553,853	400,044

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000					
	2007-08		2006-07		2005-06	
	Provision		Provision		Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Other Income Φ	-	-			1,949	1,764
Student Loans Interest Receipts Φ	101,194	94,125	156,413	75,300	98,655	98,146
Total	101,194	94,125	156,413	75,300	100,604	99,910

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

	£'000		
	Voted	Non-voted	Total
Resource DEL	39,792,451	17,878,724	57,671,175
<i>of which: †</i>			
Administration budget	237,698	-	237,698
Near-cash in RDEL	38,356,051	17,905,527	56,261,578
Capital DEL ††	3,908,149	3,086,174	6,994,323
Less Depreciation †††	-8,699	-24,100	-32,799
Total DEL	43,691,901	20,940,798	64,632,699

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

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

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

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2007-08 of £62,581,430,000 is 6.0 per cent higher than the final net provision for 2006-07 of £59,048,059,000 and 8.3 per cent higher than the forecast outturn for 2006-07 of £57,779,473,000.

Cash which may be retained to offset expenditure

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 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.	1,513,676	1,348,773	1,142,264

Notes to the Main Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service	£'000
RfR1 - C	Payment to support Respect Family Intervention projects■	12,000
RfR1 - D	Grants to the Royal Anniversary Trust to cover costs associated with the Higher and Further Education Awards Scheme (Queen's Anniversary Prizes)■	167

Notes to the Main Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR1 - Q	British Educational Communications and Technology Agency ♦	10.6
RfR1 - Q	National College for Schools Leadership ♦	90.4
RfR1 - Q	Partnerships for Schools	0.0
RfR1 - Q	Schools Food Trust	0.0
RfR1 - Q	Training and Development Agency for Schools ♥	638.3
RfR1 - R	Children and Families Court Advisory and Support Service ♥	99.0
RfR1 - R	Children's Commissioner ♥	0.5
RfR1 - S	Higher Education Funding Council for England ♥	7,232.7
RfR1 - S	Office For Fair Access ♥	0.5
RfR1 - S	Student Loan Company ♦	43.8
RfR1 - T	Investors in People UK ♦	5.1
RfR1 - T	Learning and Skills Council ♥	11,114.9
RfR1 - T	Qualifications and Curriculum Authority ♥	91.1
RfR1 - T	Sector Skills Development Agency ♦	66.6
RfR1 - T	Quality Improvement Agency	0.0

Notes to the Main Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
As at 31 March 2008, the following liabilities fell to be met from the Department's Estimate:	
Non-statutory	
The department will meet the accrued Civil Service redundancy entitlement to date of resignation of secondees who resigned from the Department to take up Training and Enterprise (TEC) employment on or after 1 January 1993 in TECs in England and Wales if:	59,000
a) their TEC makes them redundant due to direct government action due to their first five years of employment;	
b) a court or tribunal ever ruled that TEC and civil service employment were continuous for redundancy calculation purposes.	
The department has and will continue to give indemnities to Training and Enterprise Councils (TECs), chamber of Commerce Training and Enterprise Councils (CCTEs), their representative TEC bodies and those concerned with the wind up, transfer or continuation of TEC delivered activity, where this will facilitate the conclusion of the working and contractual relationship between TECs, CCTEs and the Government, thereby ensuring the continuation of essential discretionary activity and the return of residual reserves owing to the Secretary of State at the earliest opportunity. The indemnities will include:	
liabilities that arise from audit work carried out in respect of the delivery of activities funded through the European union initiatives or through Single Regeneration Budget and other schemes sponsored by Government Departments other than DfES and F40;	81,415
Liabilities that arise from the transfer of TEC/CCTE functions to successors, including from staff who have been transferred or been made redundant, who as a result of the transfer seek redress through the Employment Tribunal; and	1,000
Liabilities arising from properties leased by TECs/CCTEs that they have been unable to dispose of by the time they wind up. The department may take over these leases and dispose of them on behalf of TECs/CCTEs.	7,150
In order to ensure that the Croydon Local Learning and Skills Council (LLSC) commences operations in April 2001 and because no suitable training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CCTE) property exists in the Croydon LLSC area an indemnity to give a landlord a guarantee that, in the event of the LSC ceasing to exist the Secretary of State will take over the lease. this is because, to the landlord, the LSC is an unknown body with no financial history.	4,452
In order to ensure that the Learning and Skills Council (LLSC) commences operations in April 2001 and because no suitable training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CCTE) property exists in the Brighton, Manchester or Coventry area an indemnity to give a landlords a guarantee that, in the event of the LSC ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LSC is an unknown body with no financial history.	33,471
The department will continue to give an indemnity to the landlord for the former Adult Learning Inspectorate(ALI) property,which has transferred to OFSTED.	6,490

An indemnity to cover the cost of re-assessing trainees who are disadvantaged by flaws in the awarding of National Vocational Qualifications by the Road Transport Industry Training Board.	0
Arrangements to allow the appointment of a receiver to manage the affairs of Nottingham Enterprise Ltd (formerly North Nottingham TEC).	2,000
Arrangements to allow for the appointment of a receiver at any TEC we believe necessary.	6,000

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

RfR/Section	Body	£'000
RfR1-F	The Estimate includes provisions to reimburse the Department for Work and Pensions for payments made by the Joint International Unit for International Education Programmes and the annual subscription of the International Labour Organisation	9,778
