

Cabinet Office

Introduction

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

Amount £

Changes in resources

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Increases:

Transfers from Other Government Departments

Machinery of Government Changes inwards

1	Social Exclusion Task Force transfer from Department for Communities and Local Government (DCLG) Transfer of Administration costs £926,000 RFR Subhead: E1	926,000
2	Transfer from Department of Trade & Industry for Office of the Third Sector Transfer of Administration costs £470,000 RFR Subhead : D1	470,000
3	Transfer from Department of Trade & Industry for Office of the Third Sector Transfer of Programme Costs £800,000 RFR subhead: D2	800,000
4	Transfer from Home Office for Office of the Third Sector Transfer of Admin Costs £3,999,000 RFR subhead: D1	3,999,000
5	Transfer from Home Office for Office of the Third Sector Transfer of Programme Costs £4,795,000 RFR subhead: D2	4,795,000
6	Transfer from Home Office for Office of the Third Sector Transfer of Grants £48,090,000 RFR subhead: D3	48,090,000
7	Transfer from Home Office for Office of the Third Sector Transfer of Capital Grants £40,000,000 RFR subhead: D3	40,000,000
8	Transfer from Home Office for Office of the Third Sector Transfer of Grants in Aid to NDPB Non-Budget - Capacity Builders Agency £37,298,000 RFR subhead: G3	37,298,000

Other increases

	Reallocation	
9	Reallocation from Capital expenditure to grants in connection with funding for the protective security measures relating to State and Government assets in central London	
	Adjustment of Programme costs	
	£1,993,000	1,993,000
	RFR subhead F3	
10	Adjustment to contributions from other government departments for the costs of the Parliamentary Council Office (PCO)	
	Adjustment to Appropriations in Aid (A5)	6,314,000
	RfR subhead A5	
11	Adjustment to contributions from other government departments for the costs of the Parliamentary Council Office (PCO)	
	Adjustments to Administration costs (A1)	1,451,000
	£7,765,000	
	RFR subhead A1	
Decreases:		
<u>Transfers to Other Government Departments</u>		
Machinery of Government Changes outwards		
12	National School of Government transfer to become a non-ministerial department	
	Adjustment to Administration Costs	-30,640,000
	-£30,640,000	
	RFR subhead B1	
	Adjustment to Administration Income	30,000,000
	30,000,000	
	RFR subhead B5	
13	Transfer of Office of Public Sector Information (OPSI) to National Archives	
	Adjustment to Administration Costs	-1,905,000
	-£1,905,000	
	RFR subhead A1	
	Transfer of Programme Costs	-1,228,000
	£1,228,000	
	RFR subhead A2	
	Transfer of Administration Income	694,000
	£694,000	
	RFR subhead A5	
14	Transfer Equalities Review Team to Department for Communities and Local Government (DCLG)	
	Adjustments to Administration Costs	-68,000
	-£68,000	
	RFR subhead A1	
15	Transfer Equalities Review Team to Department for Communities and Local Government (DCLG)	
	Adjustments to Programme Cost	-224,000
	-£224,000	
	RFR subhead A2	

16	Transfer Personnel Statistics to Office of National Statistics Adjustments to Administration Costs -£457,000 RFR subhead A1	-457,000
 <u>Other decreases</u>		
Transfer of Budgetary cover		
17	Transfer to various other government department's towards the Parliamentary Council Office funding Adjustment to Administration Costs -8,757,000 RFR subhead A1	-8,757,000
18	Transfer to Deputy Prime Minister's Office Adjustment to Administration costs -800,000 RFR subhead A1	-800,000
19	Virement to Capital for works at the Hawhills Estate Adjustments to Programme Costs -£200,000 RFR subhead A2:A7	-200,000
 <u>Neutral Changes:</u>		
20	Virement from programme to grant to fund protective security measures relating to State and Government assets in central London Adjustments to Programme Costs and Grants £1,320,000 RFR subhead A2:A3	
21	Virement of the Cabinet Office portion for funding towards protective security measures relating to State and Government assets in central London Adjustments to Programme Costs and Grants £694,000 RFR subhead A2:A3	
22	Budgetary transfer from other government departments to fund protective Adjustments to Programme grants and Appropriations in Aid £9,081,000 RFR subheads F3:F5	
 <u>Decrease in Income offset by expenditure</u>		
23	Recharges from Privy Council Office - accommodation income Adjustments to Administration costs and Appropriation in Aid £129,000 RFR subheads A1:A5	
24	Adjustment to other accommodation income from minor Occupiers Adjustments to Administration costs and Appropriation in Aid £322,000 RFR subheads A1:A5	
25	Adjustment to income received for overheads costs from Civil Service Pensions Adjustments to Administration costs and Appropriation in Aid £77,000 RFR subheads A1:A5	

- 26 Reduction in income from the Office of Public Sector Information (OSPI)**
Adjustments to Administration costs and Appropriation in Aid
£12,000
RFR subheads A1:A5
- 27 Reduction in income because the Media Monitoring Unit transferred to Central Office of Information**
Adjustments to Administration costs and Appropriation in Aid
£1,349,000
RFR subheads A1:A5
- Increase in Income offset by expenditure**
- 28 Additional income from the Civil Superannuation Vote relating to central management of Pension Schemes**
Adjustments to Administration costs and Appropriation in Aid
£460,000
RFR subheads A1:A5
- 29 Adjustment to Income received from the Sector Skills Development Agency to fund the Central Government Sector Skills Council**
Adjustments to Administration costs and Appropriation in Aid
£1,515,000
RFR subheads A1:A5
- 30 Adjustment to Recovery of seconded/Loan salary costs**
Adjustments to Administration costs and Appropriation in Aid
£1,602,000
RFR subheads A1:A5
- 31 Contributions from other government departments towards the funding for Skills for Life project work (DFES)**
Adjustments to Administration costs and Appropriation in Aid
£35,000
RFR subheads A1:A5
- 32 Adjustment to income relating to receipts for training courses and rent at the Emergency Planning Colleges**
Adjustments to Administration costs and Appropriation in Aid
£380,000
RFR subheads A1:A5
- 33 Adjustment contributions from other government departments for Diversity outreach programme**
Adjustments to Administration costs and Appropriation in Aid
£91,000
RFR subheads A1:A5
- 34 Income from other government departments to fund protective security measures relating to State and Government assets in central London**
Adjustments to Programme and Appropriation in Aid
£453,000
RFR subheads A3:A5
- 35 Income from other government departments for Scope Charter contributions**
Adjustments to Programme and Appropriation in Aid
£810,000
RFR subheads A2:A5

36	Income from other government departments for CSIA programme Adjustments to Programme and Appropriation in Aid £555,000 RFR subheads A2:A5	
	Total change in resources for RfR1	132,551,000
	Total change in resources for Estimate	132,551,000
 <u>Changes in capital</u>		
<u>Machinery of Government Changes in</u>		
37	Transfer from Home Office for Office of the Third Sector Capital Costs £29,000 RFR subhead C7	29,000
<u>Machinery of Government Changes out</u>		
38	National School of Government transfer to become a non-ministerial department Capital Costs -£1,271,000 RFR subhead B7	-1,271,000
39	Transfer of the Office Of Public Sector Information (OPSI) to National Archives Capital costs -£420,000 RFR subhead A7	-420,000
<u>Other decreases</u>		
Transfer of Budgetary cover		
40	Transfer to Security and Intelligence Agencies for the expansion of the Capacity and Capability of the Security and Intelligence Agencies Capital costs -£160,000 RFR subhead A7	-160,000
Virement of capital to resource		
41	Virement of Capital to Resource grant to fund protective security measures relating to State and Government assets in central London Adjustment to Capital costs -£1,993,000 RFR subhead A7:F3	-1,993,000
42	Virement from resource for works at the Hawkill Estate Capital costs £200,000 RFR subhead A2: A7	200,000
	Total change in capital for Estimate	-3,615,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £142,392,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	† 132,551,000
Total additional net resource requirement	132,551,000
Additional net cash requirement	† 142,392,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Cabinet Office on:

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

The Prime Minister's Office; the offices of the Minister for the Cabinet Office and the Minister of State, Cabinet Office; the Social Exclusion Task Force; the Office of the Third Sector; the Parliamentary Counsel Office; the Cabinet secretariat; payments to former Prime Ministers; the central management of, and delivery of services to, the Civil Service and wider public sector; improving public services; civil service reform; cross-departmental IT systems; co-ordination of cross-cutting issues; grants to certain not-for-profit organisations; grants to local authorities; expenditure associated with the awards of honours and dignities; certain other services; and associated non-cash items.

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

† 1) The Social Exclusion Unit transferred from the Department for Communities and Local Government (DCLG) 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 is increased by £ 926,000; and
- b) the net cash requirement is increased by £ 915,000

† 2) The Active Communities Directorate transferred from the Home Office (HO) on 5 May 2006 to form the Office of the Third Sector. Within the overall changes sought in this estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement is increased by £ 134,182,000
- b) capital increases by £ 29,000; and
- b) the net cash requirement is increased by £ 134,115,000

† 3) The Social Enterprise Unit transferred from the Department for Trade and Industry (DTI) on 5 May 2006 to form part of the Office of the Third Sector. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement is increased by £ 1,270,000 and
- b) the net cash requirement is increased by £ 1,270,000

† 4) The National School of Government (NSG) becomes a non-Ministerial department in its own right on 1 January 2007. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government change are:

- a) the net resource requirement is reduced by £ 640,000;
- b) operating appropriations in aid is reduced by £ 30,000,000;
- c) capital is reduced by £ 1,271,000; and
- d) the net cash requirement is reduced by £ 841,000.

† 5) The Office of Public Sector Information (OPSI) transferred to the The National Archives on 31 October 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 is reduced by £ 2,439,000
- b) the operating appropriations in aid are reduced by £ 694,000; and
- c) capital expenditure is reduced by £ 420,000.
- d) the net cash requirement is reduced by £2,818,000

† 6) The Equalities Review Team transferred to the Department for Communities and Local Government (DCLG) on 1 September 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 is decreased by £ 292,000; and
- b) the net cash requirement is decreased by £292,000

† 7) The Civil Service Statistics function transferred to the Office of National Statistics (ONS) on 30 September 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 is decreased by £ 457,000; and
- b) the net cash requirement is decreased by £457,000

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
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Cabinet Office	233,687	-8,176	-2,996	-5,180	228,507
RfR 1 - B National School of Government	640	-30,640	-30,000	-640	-
Spending in Departmental Expenditure Limits (DEL)					
RFR1 - D Office of the Third Sector	-	98,154	-	98,154	98,154
RFR1 - E Social Exclusion Task force	-	926	-	926	926
RfR 1 - F Security	-	11,074	9,081	1,993	1,993
Non-Budget					
RfR 1 - G Capacity Builders Agency	-	37,298	-	37,298	37,298
Total RfR 1		108,636	-23,915	132,551	
Total Changes to RfRs		108,636	-23,915	132,551	

	£000		
	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	9,364	-3,615	5,749
Non-Operating A in A	22	-	22
Net cash requirement	198,731	142,392	341,123

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives								
255,653	64,174	142,124	461,951	94,467	367,484	5,749	22	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Cabinet Office								
250,258	58,579	5,056	313,893	85,386	228,507	5,720	22	
B National School of Government								
	-	-	-	-	-	-	-	-
<i>Support for Local Authorities</i>								
C London Fire and Emergency Planning Authority								
-	-	606	606	-	606	-	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
D Office of the Third Sector								
4,469	5,595	88,090	98,154		98,154	29		
E Social Exclusion Task Force								
926	-	-	926	-	926	-	-	-
<i>Support for Local Authorities</i>								
F Security								
-	-	11,074	11,074	9,081	1,993	-	-	-
Non-Budget								
G Capacity Builders Agency								
-	-	37,298	37,298	-	37,298	-	-	-
Total for Estimate:								
255,653	64,174	142,124	461,951	94,467	367,484	5,749	22	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	234,933	132,551	367,484
Voted capital items			
Capital	9,364	-3,615	5,698
<i>Less: Non-operating A in A</i>	<i>22</i>	<i>-</i>	<i>22</i>
Total net voted capital	9,342	-3,615	5,727
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-9,273	766	-8,507
Depreciation	-36,271	12,907	-23,364
New provisions and adjustments to previous provisions	-	-1	-1
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-216	-216
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-45,544	13,456	-32,088
Excess cash to be CFERd	-	-	-
Net Cash Requirement	198,731	142,392	341,123

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):

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	7,765	7,765
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	-	-	-	-
Total	-	-	7,765	7,765

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	219,392
Total Net Administration Costs	219,392
Net Programme Costs	
RfR1	140,327
Total Net Programme costs	140,327
Total Net Operating Cost	359,719
<i>of which:</i>	
Net Resource Requirement	367,484
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-7,765
Resource Budget	345,893

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	367,484
<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	-7,765
Other adjustments	-
Net Operating Costs (Accounts)	359,719
<i>Adjustments to remove:</i>	
capital grants	-51,074
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	37,248
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	345,893
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	345,893
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	5,727
<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	50
capital grants	51,074
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)	56,851
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	56,851
Annually Managed Expenditure (AME)	-

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 Gus O' Donnell, Permanent Head of the Department

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

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 Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	
Administration	28,496
<i>of which:</i>	
Sale of goods and services	28,496
Programme	65,971
<i>of which:</i>	
Sale of goods and services	65,971
Total RfR1	94,467 †
Total Operating A in A	94,467

† Amount that may be applied as appropriation in aid in addition to the net total, arising from: income from minor occupiers of the Department's buildings; sales of services and goods to other government departments, public bodies and general public; sponsorship income; income from the Employment Opportunities Fund; income in respect of central management costs of the Principal Civil Service Pensions Scheme (PCSPS), Civil Service additional Voluntary Contributions Scheme (CSAVC), and the Federated Superannuation Scheme for Universities (FSSU); refunds from the European Community and receipts in respect of international projects; recovery of costs of staff on loan; recovery from staff for miscellaneous items;

recovery of costs incurred by the Prime Minister's Office on official visits; profit on disposal of fixed assets; Emergency Planning College receipts for training courses; receipts for rent; recovery of legal costs; recoveries of costs from other government departments for cost sharing arrangements; recoveries in respect of Honours and dignities; and certain other services.

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

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Programme	22
<i>of which:</i>	
Sale of goods and services	-
Loan, etc., repayments	22
Total RfR1	22 †

† Amount that may be applied as non-operating appropriations in aid, arising from: repayment of loans by the Civil Service Sports Council and the London Hostels Association; the proceeds from the sale of fixed assets, covering the net book value.

Total Non - operating A in A	22
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2006-07 provision	
		Income	Receipts
Sales of goods & services	Φ	7,765	7,765
Total		7,765	7,765

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	73,712	37,248	308,645	37,248	345,893
<i>of which:</i>					
Administration budget*	-6,538	-	219,392	-	219,392
Near-cash in RDEL	87,168	37,248	276,557	37,248	313,805
Capital**	47,459	50	56,801	50	56,851
Less Depreciation†	12,907	-	-23,364	-	-23,364
Total	134,078	37,298	342,082	37,298	379,380

* 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	94,467

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 - A	Pension payments	8
RfR1 - C3	Grants to certain national organisations working in the voluntary sector to promote voluntary activity or community development and to support innovatory projects etc	34,029
RfR1 - C3	National Council for Voluntary Organisations	975
RfR1 - C3	Grants to Women's Royal Voluntary Service	2,333
RfR1 - C3	Grants to voluntary organisations and other bodies for the reception and settlement of refugees, and to assist organisations or projects working to reduce racial disadvantage, racism etc.	14,265
RfR1 - C3	Futurebuilders	45,800

Notes to the Estimate (*continued*)**Grants in Aid**

RfR/Section	Body	£ '000
RfR1 - A	Civil Service Benevolent Fund	500
RfR1 - A	Civil Service Sports Council	1,332
RfR1 - A	Civil Service Retirement Fellowship	265
RfR1 - G	Capacity Builders Agency - NDPB	37,298
	Total	<hr/> 39,395