

Department for Communities and Local Government

Introduction

This Supplementary Estimate is required for the following purposes:

£

| Changes in budgets, non-budget voted provision and cash | Increases | Reductions | Total |
|--|------------|--------------|-------|
| (Section F) Transfer from DCLG - Communities to Cabinet Office for staffing costs associated with the Cities Policy Unit | | -100,000 | |
| (Section B) Transfer from DCLG - Communities to DCLG - Local Government for the GLA. Funding for the Community Right to Build, consolidating GLA revenue grants on LG DEL. | | -600,000 | |
| (Section A,B,C,F) Additional Budget Exchange for DCLG Communities budgets to reprioritise funding to support measures for local government such as Council Tax Benefit Reform and the Local Government Settlement for 2013-14 and to support future cost reduction measures. This represents good financial management | | -205,999,000 | |
| (Section A) Transfer from DCLG - Communities to HM Treasury for capitalisation directions for local authorities | | -47,000,000 | |
| (Section C) Transfer from the Treasury's Reserve funding to DCLG - Communities for Coastal Communities Fund | 18,200,000 | | |
| (Section C) DCLG - Communities spending policy transfer from Resource to Capital for budget management purposes | | -40,726,000 | |
| (Section C) Transfer from the Department for Business, Innovation and Skills to DCLG - Communities for Local Enterprise Partnerships | 2,438,000 | | |
| (Section A) Spending policy transfer Resource to Capital Exchange with DCLG - Communities and the Department for Culture, Media and Sport | | -1,000,000 | |
| (Section B) Transfer from DCLG - Communities to the Department for Work and Pensions to support continuation of the Support for Mortgage Interest programme | | -5,000,000 | |
| (Section L) Transfer from DCLG - LG to Treasury for Capitalisation directions for local authorities | | -32,417,000 | |

| | | | |
|--|----------------------|---------------------|---------------------|
| (Section N) Transfer from DCLG - LG to Treasury for capitalisation directions for local authorities | | -24,983,000 | |
| (Section M) Transfer from DCLG - LG to Treasury for capitalisation directions for local authorities | | -6,000,000 | |
| (Section L) Transfer from DCLG - Communities to DCLG - Local Government for the GLA. Funding for the Community Right to Build, consolidating GLA revenue grants on LG DEL. | 600,000 | | |
| (Section O) Transfer from DCLG - LG Commission for Local Administration Resource to Capital spending | | -80,000 | |
| Total change in Resource DEL (Voted) | 21,238,000 | -363,905,000 | -342,667,000 |
| (Section Q) Surrender from DCLG - Communities to the Treasury for the closure of the Housing Revenue Account Subsidy system | 1,076,945,000 | | |
| (Section Q) Transfer from DCLG - Communities to the Treasury in respect of the unused NewBuy provision | | -29,300,000 | |
| (Section Q) Transfer from DCLG - Communities to the Treasury in respect of the unused Get Britain Building provision | | -160,000,000 | |
| (Section P) Transfer from the Treasury to DCLG - Communities for Fire pension superannuation costs | 53,901,000 | | |
| (Section T) Transfer from DCLG - Communities to the Treasury in respect of the unused Central Administration provision | | -27,000 | |
| (Section X) Transfer from DCLG - Communities to the Treasury in respect of the unused London Thames Gateway provision | | -2,233,000 | |
| (Section T) Provision for DCLG - Communities estates dilapidations | 18,000,000 | | |
| (Section U) Transfer from DCLG - LG to the Treasury in respect of unused NNDR Outturn Adjustment provision | | -150,000,000 | |
| (Section V) Provision for DCLG - LG for the Commission for Local Administration to reflect expected pension asset deficit movements | 250,000 | | |
| Total change in Resource AME (Voted) | 1,149,096,000 | -341,560,000 | 807,536,000 |
| (Section A) Transfer from the Department for Culture, Media and Sport to DCLG Communities for the London Settlement | 10,343,000 | | |

| | | | |
|--|---------------------|---------------------|---------------------|
| (Section A) Spending policy transfer Capital to Resource Exchange with the Department for Culture, Media and Sport and DCLG - Communities | 1,000,000 | | |
| (Section G) Repayment from DCLG - Communities to the Treasury as part of the Local Authority Social Housing Programme, to provide cover for increased levels of public sector borrowing created by the programme | | -2,413,000 | |
| (Section C,G) - Additional Budget Exchange for DCLG Communities budgets to reprioritise funding to support measures for local government such as Council Tax Benefit Reform and the Local Government Settlement for 2013-14 and to support future cost reduction measures. This represents good financial management | | -37,082,000 | |
| (Section C) The use of Budget Exchange for DCLG - Communities budgets to meet the Regional Growth Fund reprofile | | -384,000,000 | |
| (Section G) Transfer from the Department for Transport to DCLG Communities for projects being delivered by the West Northamptonshire Development Corporation | 1,000,000 | | |
| (Section C) Transfer from the Department for Business, Innovation and Skills to DCLG - Communities for the Regional Growth Fund | 30,000,000 | | |
| (Section C) DCLG - Communities spending policy transfer from Resource to Capital for budget management purposes | 40,726,000 | | |
| (Section G) Transfer from the Treasury to DCLG - Communities for FirstBuy, part of the housing package announcement in September 2012 | 40,000,000 | | |
| (Section O) Transfer from DCLG - LG Commission for Local Administration Resource to Capital spending | 80,000 | | |
| Total change in Capital DEL (Voted) | 123,149,000 | -423,495,000 | -300,346,000 |
| (Section Q) Transfer from DCLG - Communities to the Treasury for the reduction of the Overhanging Debt forecast following the Housing Revenue Account Subsidy system closure | -912,547,000 | | |
| Total change in Capital AME (Voted) | -912,547,000 | 0 | -912,547,000 |
| Revisions to the net cash requirement reflect not only the changes to Resource and Capital as set out above but also adjustments to our non-cash items as set out in the Part II Resource to cash reconciliation table. | | -339,615,000 | |
| Total change in Net Cash Requirement | 0 | -339,615,000 | -339,615,000 |

Part I

£

| | Voted | Non-Voted | Total |
|--|---------------------|-----------|----------------|
| Departmental Expenditure Limit - DCLG Communities | | | |
| Resource | -279,787,000 | - | -279,787,000 |
| Capital | -300,426,000 | - | -300,426,000 |
| Departmental Expenditure Limit - DCLG Local Govt | | | |
| Resource | -62,880,000 | - | -62,880,000 |
| Capital | 80,000 | - | 80,000 |
| Annually Managed Expenditure | | | |
| Resource | 807,536,000 | - | 807,536,000 |
| Capital | -912,547,000 | - | -912,547,000 |
| Total Net Budget | | | |
| Resource | 464,869,000 | - | 464,869,000 |
| Capital | -1,212,893,000 | - | -1,212,893,000 |
| Non-Budget Expenditure | - | | |
| Net cash requirement | -339,615,000 | | |

Supplementary amounts required in the year ending 31 March 2013 for expenditure by Department for Communities and Local Government on:

Departmental Expenditure Limit - DCLG Communities:Expenditure arising from:

responsibility for the fire and rescue services, FiReBuy, the Fire Service College trading fund; decentralising power to citizens and communities and promoting the Big Society, including support to local areas and the voluntary and community sector to improve social and community action, and increase empowerment to local communities; promoting race, gender and faith equality; tackling extremism and promoting sustainable, cohesive and integrated communities;

responsibility for housing to buy and rent; tenant empowerment; homelessness, rough sleepers and supporting people to stay in their homes; building standards; support for homeowners; planning; Planning Inspectorate; encouraging action at neighbourhood level; promoting local environmental improvement including architecture;

responsibility for regeneration and economic growth at the local level; Regional Growth Fund; European Regional Development Fund and Interregional assistance (INTERREG); Olympics and Olympic Park legacy; Iron Bridge Gorge and other land stabilisation; zero carbon and climate change;

responsibility for Local Services Support Grant; tackling Troubled Families; Weekly Waste Support Scheme; general support fo Local Authorities; supporting the implementation of the new rights included within the Localism Act 2011;

analytical services; research, monitoring, statistics, advice and consultancies; geographical and statistical data; mapping data and services; the Queen Elizabeth II Conference Centre trading fund; personal injury compensation claims by ex-employees (including those employed by predecessor departments); subscriptions and contributions to international organisations;

administration of the Department for Communities and Local Government, its NDPBs and associated offices; publicity, promotion and publications; communications; purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; special payments;

net spending by NDPBs (Homes and Communities Agency, Leasehold Advisory Service, London Thames Gateway Development Corporation, Thurrock Development Corporation, West Northamptonshire Development Corporation, Building Regulations Advisory Committee); payments to other Government Departments in support of DCLG policy; and associated depreciation and any other non-cash costs falling in DEL.

*Expenditure relating to any of the above areas in the form of; equity investment or making loans through advances of principal (financial transactions); using a payment by results mechanism; expenditure related to a financial guarantee given by the department; providing funding through endowments as laid out in Managing Public Money; purchase and management of exchange rate contracts to hedge exposure risk.

Income arising from:

responsibility for the fire and emergency services; inspections by the Crown Property Inspection Group; Fire Service College trading fund;

recovered grants relating to housing and regeneration programmes; the Planning Inspectorate;

the European Union; former Single Regeneration Budget programme receipts;

research and administrative services, fee paying enquiries, dissemination and sales of information, royalties; the loan, hire and storage of equipment; seminars, patent rights, conferences and publications (in print and non-print media); sponsorship, including contributions from co-sponsors towards the cost of research, surveys and publicity; the Queen Elizabeth II Conference Centre trading fund; donations; the disposal of land, buildings, water stores, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; receipts for the use of accommodation; rental income and receipts from property and land; legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements;

receipts (including fees and charges for services) from Local Authorities and other Government Departments including agencies, non-departmental public bodies and overseas governments. Receipts relating to the Olympic Park.

*Return of funds provided as financial transactions in earlier periods where assigned to equivalent policy aims, whether interest, dividend or return of advance.

Gains, when made, from exchange rate contracts.

Departmental Expenditure Limit - DCLG Local Govt:

Expenditure arising from:

financial support to Local Authorities, including revenue support grant and national non-domestic rates; council tax freeze, council tax benefit -new burdens, emergency assistance, elected mayors; improvement, transformation and efficiency; intervention action and capacity building in local authorities; local government reviews and revisions to administrative and electoral boundaries; payments to specified bodies; payments to the Valuation Office Agency for rating and valuation services; Audit Commission disbanding costs; GLA General Grant; Private Finance Initiative Special Grant.

net spending by NDPBs (Commission for Local Administration, Standards Board for England, Valuation Tribunals); and associated depreciation and any other non-cash costs falling in DEL.

Annually Managed Expenditure:Expenditure arising from:

fire superannuation; Housing Revenue Account subsidy; overhanging debt payments on disposal of Local Authority housing stock; loan charges; repayments of excess contributions made by Local Authorities in respect of non-domestic rates; Planning Inspectorate;

net spending of NDPBs (Homes & Communities Agency, London Thames Gateway Development Corporation, Thurrock Development Corporation).

Income arising from:

housing revenue receipts from Local Authorities; adjustments to commuted loan charges or residual loan charge grants; receipts relating to the Olympic Park.

Department for Communities and Local Government will account for this Estimate.

Part II: Changes Proposed

£'000

| Net Resources | | | | | | Net Capital | | |
|---|------------|---------|----------|---------|------------|-----------------|----------|-----------|
| Present | | Changes | | Revised | | Present | Changes | Revised |
| Admin | Prog | Admin | Prog | Admin | Prog | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Spending in DEL - DCLG Communities | | | | | | | | |
| Voted expenditure | | | | | | | | |
| 393,379 | 1,404,435 | -20,100 | -259,687 | 373,279 | 1,144,748 | 2,994,855 | -300,426 | 2,694,429 |
| <i>of which:</i> | | | | | | | | |
| A Localism | | | | | | | | |
| - | 347,525 | - | -2,058 | - | 345,467 | 953,253 | -1,322 | 951,931 |
| B Neighbourhoods | | | | | | | | |
| - | 643,312 | 39,344 | -64,320 | 39,344 | 578,992 | 193,484 | 45,288 | 238,772 |
| C Local Economies, Regeneration and European Programmes | | | | | | | | |
| - | 200,472 | - | -134,715 | - | 65,757 | 386,375 | -188,412 | 197,963 |
| D Troubled Families | | | | | | | | |
| - | 103,000 | - | 16,000 | - | 119,000 | - | - | - |
| E Research, Data & Trading Funds | | | | | | | | |
| - | 43,414 | - | -14,452 | - | 28,962 | - | - | - |
| F DCLG Staff, Building and Infrastructure Costs | | | | | | | | |
| 235,196 | 6,250 | -18,283 | -3,250 | 216,913 | 3,000 | 10,000 | -6,000 | 4,000 |
| G Neighbourhoods (NDPB)(Net) | | | | | | | | |
| 152,563 | 5,070 | -42,347 | 4,348 | 110,216 | 9,418 | 1,245,965 | 61,850 | 1,307,815 |
| H Local Economies, Regeneration and European Programmes (NDPB)(Net) | | | | | | | | |
| 5,620 | -3,746 | 1,186 | -2,102 | 6,806 | -5,848 | 103,994 | -110,046 | -6,052 |
| Departmental Unallocated Provision | | | | | | | | |
| - | 59,138 | - | -59,138 | - | - | 101,784 | -101,784 | - |
| Total Spending in DEL - DCLG Communities | | | | | | -300,426 | | |
| Spending in DEL - DCLG Local Govt | | | | | | | | |
| Voted expenditure | | | | | | | | |
| - | 24,019,159 | - | -62,880 | - | 23,956,279 | - | 80 | 80 |
| <i>of which:</i> | | | | | | | | |
| L Other Grants and Payments | | | | | | | | |
| - | 170,687 | - | -31,817 | - | 138,870 | - | - | - |
| M Valuation Services | | | | | | | | |
| - | 149,000 | - | -6,000 | - | 143,000 | - | - | - |
| N Audit Commission Disbanding | | | | | | | | |
| - | 24,993 | - | -24,983 | - | 10 | - | - | - |
| O Local Government (NDPB)(Net) | | | | | | | | |
| - | 22,759 | - | -80 | - | 22,679 | - | 80 | 80 |
| Total Spending in DEL - DCLG Local Govt | | | | | | 80 | | |

Spending in Annually Managed Expenditure (AME)**Voted expenditure**

| | | | | | | | | |
|---|----------|----------|---------|----------|---------|---------|----------|----------|
| - | -105,460 | - | 807,536 | - | 702,076 | 946,000 | -912,547 | 33,453 |
| <i>of which:</i> | | | | | | | | |
| P Localism | - | 345,303 | - | 53,901 | - | 399,204 | - | - |
| Q Neighbourhoods | - | -843,542 | - | 887,645 | - | 44,103 | 946,000 | -912,547 |
| T DCLG Staff, Building and Infrastructure Costs | - | -6,585 | - | 17,973 | - | 11,388 | - | - |
| U Non-Domestic Rates Outturn Adjustments | - | 300,000 | - | -150,000 | - | 150,000 | - | - |
| V Local Government (NDPB)(net) | - | 1 | - | 250 | - | 251 | - | - |
| W Neighbourhoods (NDPB)(Net) | - | 45,362 | - | -5,000 | - | 40,362 | - | - |
| X Local Economies, Regeneration and European Programmes (NDPB)(Net) | - | 50,000 | - | 2,767 | - | 52,767 | - | - |

Total Spending in AME

| | | |
|---|---------|----------|
| - | 807,536 | -912,547 |
|---|---------|----------|

Total for Estimate

| | | |
|---------|---------|------------|
| -20,100 | 484,969 | -1,212,893 |
|---------|---------|------------|

*of which:***Voted expenditure**

| | | |
|---------|---------|------------|
| -20,100 | 484,969 | -1,212,893 |
|---------|---------|------------|

Non-voted expenditure

| | | |
|---|---|---|
| - | - | - |
|---|---|---|

£'000

| | Present Plans | Changes | Revised Plans |
|--|--------------------------|----------------|--------------------------|
|--|--------------------------|----------------|--------------------------|

| | | | |
|-----------------------------|-------------------|-----------------|-------------------|
| Net Cash Requirement | 29,311,186 | -339,615 | 28,971,571 |
|-----------------------------|-------------------|-----------------|-------------------|

Part II: Revised subhead detail including additional provision

£'000

| Revised Plans | | | | | | | | | |
|---|----------------|------------------|-------------------|-----------------|-------------------|------------------|-----------------|------------------|--|
| Resources | | | | | | Capital | | | |
| Administration | | Programme | | | | | | | |
| Gross | Income | Net | Gross | Income | Net | Gross | Income | Net | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | |
| Spending in DEL - DCLG Communities | | | | | | | | | |
| Voted expenditure | | | | | | | | | |
| 406,511 | -33,232 | 373,279 | 1,389,871 | -245,123 | 1,144,748 | 2,936,792 | -242,363 | 2,694,429 | |
| <i>of which:</i> | | | | | | | | | |
| A Localism | | | | | | | | | |
| - | - | - | 368,832 | -23,365 | 345,467 | 953,731 | -1,800 | 951,931 | |
| B Neighbourhoods | | | | | | | | | |
| 53,341 | -13,997 | 39,344 | 578,992 | - | 578,992 | 279,335 | -40,563 | 238,772 | |
| C Local Economies, Regeneration and European Programmes | | | | | | | | | |
| - | - | - | 265,757 | -200,000 | 65,757 | 397,963 | -200,000 | 197,963 | |
| D Troubled Families | | | | | | | | | |
| - | - | - | 135,052 | -16,052 | 119,000 | - | - | - | |
| E Research, Data & Trading Funds | | | | | | | | | |
| - | - | - | 33,668 | -4,706 | 28,962 | - | - | - | |
| F DCLG Staff, Building and Infrastructure Costs | | | | | | | | | |
| 236,148 | -19,235 | 216,913 | 4,000 | -1,000 | 3,000 | 4,000 | - | 4,000 | |
| G Neighbourhoods (NDPB)(Net) | | | | | | | | | |
| 110,216 | - | 110,216 | 9,418 | - | 9,418 | 1,307,815 | - | 1,307,815 | |
| H Local Economies, Regeneration and European Programmes (NDPB)(Net) | | | | | | | | | |
| 6,806 | - | 6,806 | -5,848 | - | -5,848 | -6,052 | - | -6,052 | |
| Total Spending in DEL - DCLG Communities | | | | | | | | | |
| 406,511 | -33,232 | 373,279 | 1,389,871 | -245,123 | 1,144,748 | 2,936,792 | -242,363 | 2,694,429 | |
| Spending in DEL - DCLG Local Govt | | | | | | | | | |
| Voted expenditure | | | | | | | | | |
| - | - | - | 23,956,279 | - | 23,956,279 | 80 | - | 80 | |
| <i>of which:</i> | | | | | | | | | |
| I Revenue Support Grant | | | | | | | | | |
| - | - | - | 477,407 | - | 477,407 | - | - | - | |
| J Non-Domestic Rates Payments | | | | | | | | | |
| - | - | - | 23,119,000 | - | 23,119,000 | - | - | - | |
| K London Governance | | | | | | | | | |
| - | - | - | 55,313 | - | 55,313 | - | - | - | |
| L Other Grants and Payments | | | | | | | | | |
| - | - | - | 138,870 | - | 138,870 | - | - | - | |
| M Valuation Services | | | | | | | | | |
| - | - | - | 143,000 | - | 143,000 | - | - | - | |
| N Audit Commission Disbanding | | | | | | | | | |
| - | - | - | 10 | - | 10 | - | - | - | |
| O Local Government (NDPB)(Net) | | | | | | | | | |
| - | - | - | 22,679 | - | 22,679 | 80 | - | 80 | |
| Total Spending in DEL - DCLG Local Govt | | | | | | | | | |
| - | - | - | 23,956,279 | - | 23,956,279 | 80 | - | 80 | |

Spending in Annually Managed Expenditure (AME)**Voted expenditure**

| | | | | | | | | |
|---|---|---|---------|---------|---------|--------|---|--------|
| - | - | - | 735,814 | -33,738 | 702,076 | 33,453 | - | 33,453 |
| <i>of which:</i> | | | | | | | | |
| P Localism | - | - | 399,204 | - | 399,204 | - | - | - |
| Q Neighbourhoods | - | - | 77,841 | -33,738 | 44,103 | 33,453 | - | 33,453 |
| R Local Economies, Regeneration and European Programmes | - | - | 1 | - | 1 | - | - | - |
| S Research, Data and Trading Funds | - | - | 4,000 | - | 4,000 | - | - | - |
| T DCLG Staff, Building and Infrastructure Costs | - | - | 11,388 | - | 11,388 | - | - | - |
| U Non-Domestic Rates Outturn Adjustments | - | - | 150,000 | - | 150,000 | - | - | - |
| V Local Government (NDPB)(net) | - | - | 251 | - | 251 | - | - | - |
| W Neighbourhoods (NDPB)(Net) | - | - | 40,362 | - | 40,362 | - | - | - |
| X Local Economies, Regeneration and European Programmes (NDPB)(Net) | - | - | 52,767 | - | 52,767 | - | - | - |

Total Spending in AME

| | | | | | | | | |
|---|---|---|---------|---------|---------|--------|---|--------|
| - | - | - | 735,814 | -33,738 | 702,076 | 33,453 | - | 33,453 |
|---|---|---|---------|---------|---------|--------|---|--------|

Total for Estimate

| | | | | | | | | |
|---------|---------|---------|------------|----------|------------|-----------|----------|-----------|
| 406,511 | -33,232 | 373,279 | 26,081,964 | -278,861 | 25,803,103 | 2,970,325 | -242,363 | 2,727,962 |
|---------|---------|---------|------------|----------|------------|-----------|----------|-----------|

*of which:***Voted Expenditure**

| | | | | | | | | |
|---------|---------|---------|------------|----------|------------|-----------|----------|-----------|
| 406,511 | -33,232 | 373,279 | 26,081,964 | -278,861 | 25,803,103 | 2,970,325 | -242,363 | 2,727,962 |
|---------|---------|---------|------------|----------|------------|-----------|----------|-----------|

Non Voted Expenditure

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| - | - | - | - | - | - | - | - | - |
|---|---|---|---|---|---|---|---|---|

Part II: Resource to cash reconciliation

£'000

| | Present Plans | Changes | Revised Plans |
|--|-------------------|-------------------|-------------------|
| Net Resource Requirement | 25,711,513 | 464,869 | 26,176,382 |
| Net Capital Requirement | 3,940,855 | -1,212,893 | 2,727,962 |
| Accruals to cash adjustments | -341,182 | 408,409 | 67,227 |
| <i>Of which:</i> | | | |
| <i>Adjustments to remove non-cash items:</i> | | | |
| Depreciation | -33,993 | -1,878 | -35,871 |
| New provisions and adjustments to previous provisions | -189,034 | 171,050 | -17,984 |
| Departmental Unallocated Provision | -160,922 | 160,922 | - |
| Supported capital expenditure (revenue) | - | - | - |
| Prior Period Adjustments | - | - | - |
| Other non-cash items | -30,000 | 6,195 | -23,805 |
| <i>Adjustment for NDPBs:</i> | | | |
| Remove voted resource and capital | -1,576,771 | 53,552 | -1,523,219 |
| Add cash grant-in-aid | 1,647,538 | 18,541 | 1,666,079 |
| <i>Adjustments to reflect movements in working balances:</i> | | | |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | - | - |
| Use of provisions | 2,000 | 27 | 2,027 |
| Removal of non-voted budget items | - | - | - |
| <i>Of which:</i> | | | |
| Consolidated Fund Standing Services | - | - | - |
| Other adjustments | - | - | - |
| Net Cash Requirement | 29,311,186 | -339,615 | 28,971,571 |

Part III: Note A - Statement of Comprehensive Net Expenditure & Reconciliation Table

£'000

| | Revised Plans |
|---|-------------------|
| Gross Administration Costs | 404,278 |
| <i>Less:</i> | |
| Administration DEL (DCLG Communities) Income | -33,232 |
| Administration DEL (DCLG Local Govt) Income | - |
| Net Administration Costs | 371,046 |
| Gross Programme Costs | 28,922,916 |
| <i>Less:</i> | |
| Programme DEL (DCLG Communities) Income | -485,686 |
| Programme DEL (DCLG Local Govt) Income | - |
| Programme AME Income | -33,738 |
| Non-budget income | -100,000 |
| Net Programme Costs | 28,303,492 |
| Total Net Operating Costs | 28,674,538 |
| <i>Of which:</i> | |
| Resource DEL (DCLG Communities) | 1,513,767 |
| Resource DEL (DCLG Local Govt) | 23,956,279 |
| Capital DEL (DCLG Communities) | 2,564,703 |
| Capital DEL (DCLG Local Govt) | - |
| Resource AME | 706,336 |
| Capital AME | 33,453 |
| Non-budget | -100,000 |
| <i>Adjustments to include:</i> | |
| Departmental Unallocated Provision (resource) | - |
| Consolidated Fund Extra Receipts in the budget but not in the SoCNE | - |
| <i>Adjustments to remove:</i> | |
| Capital in the SoCNE | -2,498,156 |
| Non-Budget Consolidated Fund Extra Receipts in the SoCNE | 100,000 |
| Other adjustments | -100,000 |
| Total Resource Budget | 26,176,382 |
| <i>Of which:</i> | |
| Resource DEL (DCLG Local Govt) | 23,956,279 |
| Resource DEL (DCLG Communities) | 1,518,027 |
| Resource AME | 702,076 |

Adjustments to include:

Prior period adjustments -

Adjustments to remove:

Consolidated Fund Extra Receipts in the resource budget -

Other adjustments -

| | |
|----------------------------------|-------------------|
| Total Resource (Estimate) | 26,176,382 |
|----------------------------------|-------------------|

Part III: Note B - Analysis of Departmental Income

£'000

Revised
Plans

Voted Resource DEL - DCLG Communities

-278,355

Of which:

Administration

Sales of Goods and Services

-33,232

Of which:

B: Neighbourhoods

-13,997

F: DCLG Staff, Building and Infrastructure Costs

-19,235

Total Administration

-33,232

Programme

EU Grants Received

-200,000

Of which:

C: Local Economies, Regeneration and European Programmes

-200,000

Sales of Goods and Services

-2,359

Of which:

A: Localism

-699

E: Research, Data & Trading Funds

-660

F: DCLG Staff, Building and Infrastructure Costs

-1,000

Interest and Dividends

-2,439

Of which:

A: Localism

-189

E: Research, Data & Trading Funds

-2,250

Other Grants

-16,052

Of which:

D: Troubled Families

-16,052

Other Income

-24,273

Of which:

A: Localism

-22,477

E: Research, Data & Trading Funds

-1,796

Total Programme

-245,123

Voted Resource AME

-33,738

Of which:

Programme

Other Income

-33,738

Of which:

Q: Neighbourhoods

-33,738

Total Programme

-33,738

Total Voted Resource Income

-312,093

| | |
|--|-----------------|
| Voted Capital DEL - DCLG Communities | -242,363 |
| <i>Of which:</i> | |
| Programme | |
| EU Grants Received | -200,000 |
| <i>Of which:</i> | |
| C: Local Economies, Regeneration and European Programmes | -200,000 |
| Other Grants | -40,563 |
| <i>Of which:</i> | |
| B: Neighbourhoods | -40,563 |
| Repayments | -1,800 |
| <i>Of which:</i> | |
| A: Localism | -1,800 |
| Total Programme | -242,363 |
| | <hr/> |
| Total Voted Capital Income | -242,363 |
| | <hr/> <hr/> |

Part III: Note C - Analysis of Consolidated Fund Extra Receipts

In addition to income retained by the Department the following income is payable to the Consolidated Fund:

£'000

| | Present | | Changes | | Revised | |
|--|-----------------|-----------------|----------|----------|-----------------|-----------------|
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Income in budgets surrendered to the Consolidated Fund (resource) | - | - | - | - | - | - |
| Income in budgets surrendered to the Consolidated Fund (capital) | - | - | - | - | - | - |
| Non-budget amounts collectable on behalf of the Consolidated Fund (in the SoCNE) | -100,000 | -100,000 | - | - | -100,000 | -100,000 |
| Total | -100,000 | -100,000 | - | - | -100,000 | -100,000 |

Detailed description of CFER sources

£'000

| | Present | | Changes | | Revised | |
|---------------------------------|-----------------|-----------------|----------|----------|-----------------|-----------------|
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Non-Budget | | | | | | |
| Capital Pooled Housing Receipts | -100,000 | -100,000 | - | - | -100,000 | -100,000 |
| Total | -100,000 | -100,000 | - | - | -100,000 | -100,000 |

Part III: Note D - Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following individuals are responsible for the expenditure within this Estimate:

Accounting Officer: Sir Bob Kerslake

In accordance with Chapter 3 of Managing Public Money (issued by the Treasury), the following individuals are NDPB Accounting Officer appointments:

NDPB Accounting Officers:

| | |
|------------------|--|
| Richard Hill | Homes and Communities Agency |
| Mike Biles | Independent Housing Ombudsman Limited |
| Anthony Essien | The Leasehold Advisory Service |
| Gerard Whiteman | London Thames Gateway Development Corporation |
| David Rossington | Thurrock Development Corporation (closed at end of Oct 2012) |
| Peter Mawson | West Northamptonshire Development Corporation |
| Heather Lees | Commission for Local Administration |
| Antonio Masella | Valuation Tribunal for England |

Sir Bob Kerslake has personal responsibility for the proper presentation of the department's resource accounts and their transmission to the Comptroller & Auditor General, and is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities, particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the Financial Reporting Manual (FRM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for regularity and propriety of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are also set out in Chapter 3 of Managing Public Money.

In accordance with Managing Public Money requirements, the relationship between the Principal Accounting Officer and Additional Accounting Officer(s), and with their Ministers, together with their respective responsibilities, is set out in writing. Similarly, the relationship between the Principal/Additional Accounting Officer and the NDPB Accounting Officer(s) is set out in writing.

Part III: Note E - Non-Departmental Public Bodies

£'000

| Section in Part II: Subhead Detail | Body | Resources | Capital | Grant-in-aid |
|---------------------------------------|---|----------------|------------------|------------------|
| DCLG Communities | | | | |
| G,H,W,X | Homes & Communities Agency | 194,813 | 1,282,607 | 1,606,708 |
| G | Leasehold Advisory Commission | 1,263 | - | 1,274 |
| G | West Northamptonshire Development Corporation | 3,796 | 18,900 | 21,262 |
| H,X | London Thames Gateway Development Corporation | 3,453 | 256 | 5,157 |
| H | Thurrock Development Corporation | 1,120 | - | 8,906 |
| G | Building Regulations Advisory Committee | 8 | - | - |
| G | Independent Housing Ombudsman Limited† | - | - | - |
| DCLG Local Govt. | | | | |
| O,V | Commission for Local Administration | 14,030 | 80 | 14,266 |
| O | Valuation Tribunal for England | 8,900 | - | 8,506 |
| Total | | 227,383 | 1,301,843 | 1,666,079 |

The above Resource budgets include depreciation

†Independent Housing Ombudsman Limited are self-funded

Part III: Note K - Contingent Liabilities

| Nature of liability | £'000 |
|--|----------------------------|
| STATUTORY | |
| Homeowners Mortgage Support Scheme (HMSS): Statutory Contingent Liability taken on under the provisions of the Banking Act 2009 in respect of Homeowners Support Scheme. | 993 |
| Payments to Local Authorities under the Defective Housing grant scheme. Claims for repair or repurchase of defective Right to Buy homes sold by local authorities between 1980 and 1985. | 250-750 |
| NON STATUTORY | |
| Crossrail – agreement, if certain conditions are met, to pay for a shortfall in the amount raised through a Statutory Planning charge. | 10,000 – 300,000 |
| Treasury Solicitor manages a total of about 230 low liability litigation cases for the Department. | 500 |
| The Department has made commitments to fund pension deficits on certain of its Arms Length Bodies. In the event of the reorganisation or abolition of those bodies, the Department may face liabilities relating to those commitments. The timing and value of any such payments are very difficult to predict. The most significant deficit based on latest valuations relates to the Audit Commission Pension Scheme. It is planned that a Crown Guarantee will be provided to scheme Trustees to avoid early crystallisation of liabilities as a result of the weakening of the employer covenant in the context of the Audit Commission's forthcoming closure. | Unquantifiable |
| Potential liability for restitution claims in respect of local property enquiry searches to a private companies consortium | Unquantifiable |
| Potential losses from the New Buy scheme to underwrite a % of mortgage lending risk on new build properties. | capped at 1,000,000,000 |
| Formal notice of infraction proceeding against the UK Government for failure to adequately implement the Energy Performance of Buildings Directive, in particular, provisions for ensuring effective compliance and enforcement with its requirements. | Unquantifiable |
| Potential liability for UK failing to meet the first carbon budget | Unquantifiable |

