

# Department for International Development

## Introduction

This Supplementary Estimate is required for the following purposes:

£			
Changes in budgets, non-budget voted provision and cash	Increases	Reductions	Total
i. Re-allocation of Departmental Unallocated Provision (DUP) to align with internal budgets		-34,205,000	
ii. Re-allocation of Wealth Creation (Section B) budgets to align Estimate with internal budgets		-101,785,000	
iii. Re-allocation of Climate Change (Section C) budgets to align Estimate with internal budgets	47,855,000		
iv. Re-allocation of Governance and Security (Section D) budgets to align Estimate with internal budgets		-6,329,000	
v. Re-allocation of Direct Delivery of Millennium Development Goals (Section E) budgets to align Estimate with internal budgets	267,605,000		
vi. Re-allocation of Global Partnerships (Section F) budgets to align Estimate with internal budgets		-163,776,000	
vii. Re-allocation of Total Operating Costs (Admin RDEL to Prog RDEL to align with internal budgets)		-11,000,000	
viii. Re-allocation of Admin DUP (Admin RDEL to Prog RDEL to align with internal budgets)		-1,000,000	
ix. New allocation of funds to ICAI (Section J) to align with NDPB budget requirements	2,635,000		
x. Re-allocation of Global Partnerships RDEL to CDEL (Section F) budgets to align Estimate with internal budgets		-247,000,000	
xi. Re-allocation of Climate Change (Section C) budgets as part of RDEL to CDEL swap agreements		-7,105,000	
xii. Re-allocation of Departmental Unallocated Provision (DUP) to FCO (Conflict Pool)		-3,975,000	
xiii. Re-allocation of Programme Departmental Unallocated Provision (DUP) to other Government Departments		-7,566,000	

## Introduction

xiv. Re-allocation of Programme Departmental Unallocated Provision to OGD's as part of RDEL to CDEL swap agreements		-10,000,000	
xv. Re-allocation of Joint Conflict Pool balances to FCO		-4,500,000	
xvi. Receipt of unused ODA eligible funds from Department for Education (entered in Section E Direct Delivery of Millennium Goals)	3,000,000		
xvii. Re-allocation of Programme Departmental Unallocated Provision to non voted EC attribution (Section L)		-31,900,000	
<b>Total change in Resource DEL (Voted)</b>	<b>321,095,000</b>	<b>-630,141,000</b>	<b>-309,046,000</b>
i. Increase contribution to EC attribution (Section L)	31,900,000		
<b>Total change in Resource DEL (Non-Voted)</b>	<b>31,900,000</b>		<b>31,900,000</b>
i. Revised expectation net provision relating to Direct Delivery of Millennium Goals (Section N)		-44,619,000	
ii. Revised expectation net provision relating to Total Operating Costs (Section O)	104,000		
iii. Revised expectation net provision relating to Direct Delivery of Millennium Goals (Section N)	37,011,000		
<b>Total change in Resource AME (Voted)</b>	<b>37,115,000</b>	<b>-44,619,000</b>	<b>-7,504,000</b>
i. Re-allocation of Global Partnerships (Section F) from RDEL to CDEL budgets to align Estimate with internal budgets	247,000,000		
ii. Receipts from OGD's as part of RDEL to CDEL SWAP agreements	17,105,000		
<b>Total change in Capital DEL (Voted)</b>	<b>264,105,000</b>		<b>264,105,000</b>
i. Revised budget to account for value of asset disposed of in the period		-1,600,000	
<b>Total change in Capital AME (Voted)</b>		<b>-1,600,000</b>	<b>-1,600,000</b>
i. Increase in creditors due to the timing of promissory note encashments in 2011/12		-354,000,000	
ii. Utilisation of DUP	88,646,000		
iii. Other (per "Part II: Resource to cash reconciliation")		-19,176,000	
<b>Total change in Net cash requirement</b>	<b>88,646,000</b>	<b>-373,176,000</b>	<b>-284,530,000</b>

**Part I**

	Voted	Non-Voted	Total
<b>Departmental Expenditure Limit</b>			
Resource	-309,046,000	31,900,000	-277,146,000
Capital	264,105,000	-	264,105,000
<b>Annually Managed Expenditure</b>			
Resource	-7,504,000	-	-7,504,000
Capital	-1,600,000	-	-1,600,000
<b>Total Net Budget</b>			
Resource	-316,550,000	31,900,000	-284,650,000
Capital	262,505,000	-	262,505,000
<b>Non-Budget Expenditure</b>	-		
<b>Net cash requirement</b>	<b>-284,530,000</b>		

Supplementary amounts required in the year ending 31 March 2012 for expenditure by Department for International Development on:

**Departmental Expenditure Limit:**Expenditure arising from:

Development and humanitarian assistance under the International Development Act 2002 through financial and technical assistance to governments, institutions, voluntary agencies and individuals for activities including:

-wealth creation (generating growth, stimulating trade and improving infrastructure);

-direct delivery of Millennium Development Goals (MDGs) (health and nutrition, education, water and sanitation, humanitarian assistance and food aid);

-governance and security (peace building, conflict prevention, stabilisation and the Conflict Pool, public financial management, human rights);

-climate change (mitigating and adapting to the impact of climate change);

-global partnerships (core funding for and capital subscriptions to multilateral organisations which provide country level and global assistance, core funding for civil society organisations and research partnerships);

-continued assistance to UK Overseas Territories;

-costs relating to investments in public corporations and shareholdings in private sector companies;

-establishing the Independent Commission for Aid Impact as an advisory NDPB;

-spending by NDPBs (Commonwealth Scholarship Commission (CSC) on scholarships to individuals from Commonwealth countries including both developed and developing countries);

## Part I

-related capital expenditure, administration costs and associated depreciation and other non-cash costs falling in DEL.

-the Independent Commission for Aid Impact - an advisory NDPB which will provide objective evidence-based, and independent scrutiny of UK Aid in order to improve accountability to the British people and our Aid partners for the results achieved.

### Income arising from:

Capital repayments and receipt of interest on development assistance and budget support loans; management fees relating to loan guarantees; repayments of loans given to Crown Agents; receipts from overseas governments in respect of bilateral country and sector programmes; refunds of payments made under UK guarantees to the European Investment Bank; recoveries from other government departments; recovery of advances from procurement agents; receipts for seconded officers; rental income; recoveries from staff for use of official vehicles; refund of rental and rates payments; income from debentures issued to DFID by CDC Group plc; and income from the sale of fixed assets.

### **Annually Managed Expenditure:**

#### Expenditure arising from:

Non cash movements in provisions including contributions to International Finance Facility for Immunisation (IFFIm) and Advanced Market Commitments (AMC); change in fair value of financial instruments and other non-cash costs falling in AME.

#### Income arising from:

Disposal of investment assets.

**Department for International Development** will account for this Estimate.

## Part II: Changes Proposed

						£'000			
Present		Net Resources Changes		Revised		Present	Net Capital Changes	Revised	
Admin	Prog	Admin	Prog	Admin	Prog	7	8	9	
1	2	3	4	5	6				
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<b>Voted expenditure</b>									
	143,814	5,506,526	-11,602	-297,444	132,212	5,209,082	1,394,000	264,105	1,658,105
<i>Of which:</i>									
B	Wealth Creation								
	-	616,226	-	-101,785	-	514,441	105,725	-8,253	97,472
C	Climate Change								
	-	196,797	-	40,750	-	237,547	12,500	34,105	46,605
D	Governance and Security								
	-	680,125	-	-6,329	-	673,796	4,590	22,700	27,290
E	Direct Delivery of Millennium Development Goals								
	-	2,792,892	-	270,605	-	3,063,497	244,408	-8,447	235,961
F	Global Partnerships								
	-	987,023	-	-410,776	-	576,247	1,018,777	224,000	1,242,777
G	Total Operating Costs								
	141,000	91,200	-11,000	-	130,000	91,200	-	-	-
I	Joint Conflict Pool								
	-	23,920	-	-4,500	-	19,420	-	-	-
J	Independent Commission for Aid Impact (NDPB) (net)								
	-	-	398	2,237	398	2,237	-	-	-
	<i>Departmental Unallocated Provision</i>								
	1,000	87,646	-1,000	-87,646	-	-	-	-	-
<b>Non-voted expenditure</b>									
	-	836,000	-	31,900	-	867,900	-	-	-
<i>Of which:</i>									
L	European Union Attributed Aid								
	-	836,000	-	31,900	-	867,900	-	-	-
<b>Total Spending in DEL</b>			<b>-11,602</b>	<b>-265,544</b>			<b>264,105</b>		
<b>Spending in Annually Managed Expenditure (AME)</b>									
<b>Voted expenditure</b>									
	-	218,535	-	-7,504	-	211,031	-	-1,600	-1,600
<i>Of which:</i>									
N	Direct Delivery of Millennium Development Goals								
	-	226,872	-	-44,619	-	182,253	-	-	-
O	Total Operating Costs								
	-	-3,632	-	104	-	-3,528	-	-	-
P	Central Programmes								
	-	-2,000	-	37,011	-	35,011	-	-1,600	-1,600
<b>Total Spending in AME</b>			<b>-</b>	<b>-7,504</b>			<b>-1,600</b>		
<b>Total for Estimate</b>			<b>-11,602</b>	<b>-273,048</b>			<b>262,505</b>		
<i>Of which:</i>									
<b>Voted expenditure</b>			-11,602	-304,948			262,505		
<b>Non-voted expenditure</b>			-	31,900			-		

**Part II: Changes Proposed**

	<b>£'000</b>		
	<b>Present Plans</b>	<b>Changes</b>	<b>Revised Plans</b>
<b>Net cash requirement</b>	<b>6,934,394</b>	<b>-284,530</b>	<b>6,649,864</b>

**Part II: Revised subhead detail including additional provision**

£'000

		Revised Plans				Capital			
		Resources		Programme					
Gross	Administration	Net	Gross	Income	Net	Gross	Income	Net	
1	2	3	4	5	6	7	8	9	
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<b>Voted expenditure</b>									
	138,212	-6,000	132,212	5,215,712	-6,630	5,209,082	1,675,105	-17,000	1,658,105
<i>Of which:</i>									
A	CSC (NDPB) (net) scholarships relating to developing countries								
	1,721	-	1,721	17,390	-	17,390	-	-	
B	Wealth Creation								
	-	-	-	514,441	-	514,441	97,472	-	97,472
C	Climate Change								
	-	-	-	237,547	-	237,547	46,605	-	46,605
D	Governance and Security								
	-	-	-	673,796	-	673,796	27,290	-	27,290
E	Direct Delivery of Millennium Development Goals								
	-	-	-	3,063,497	-	3,063,497	235,961	-	235,961
F	Global Partnerships								
	-	-	-	576,247	-	576,247	1,242,777	-	1,242,777
G	Total Operating Costs								
	136,000	-6,000	130,000	91,200	-	91,200	-	-	-
H	Central Programmes								
	-	-	-	19,400	-6,630	12,770	25,000	-17,000	8,000
I	Joint Conflict Pool								
	-	-	-	19,420	-	19,420	-	-	-
J	Independent Commission for Aid Impact (NDPB) (net)								
	398	-	398	2,237	-	2,237	-	-	-
K	CSC (NDPB) (net) scholarships relating to developed countries								
	93	-	93	537	-	537	-	-	-
<i>Departmental Unallocated Provision</i>									
	-	-	-	-	-	-	-	-	-
<b>Non-voted expenditure</b>									
	-	-	-	867,900	-	867,900	-	-	-
<i>Of which:</i>									
L	European Union Attributed Aid								
	-	-	-	867,900	-	867,900	-	-	-
<b>Total Spending in DEL</b>									
	<b>138,212</b>	<b>-6,000</b>	<b>132,212</b>	<b>6,083,612</b>	<b>-6,630</b>	<b>6,076,982</b>	<b>1,675,105</b>	<b>-17,000</b>	<b>1,658,105</b>
<b>Spending in Annually Managed Expenditure (AME)</b>									
<b>Voted expenditure</b>									
	-	-	-	211,031	-	211,031	-	-1,600	-1,600
<i>Of which:</i>									
M	Wealth Creation								
	-	-	-	-2,705	-	-2,705	-	-	-
N	Direct Delivery of Millennium Development Goals								
	-	-	-	182,253	-	182,253	-	-	-
O	Total Operating Costs								
	-	-	-	-3,528	-	-3,528	-	-	-
P	Central Programmes								
	-	-	-	35,011	-	35,011	-	-1,600	-1,600
<b>Total Spending in AME</b>									
	<b>-</b>	<b>-</b>	<b>-</b>	<b>211,031</b>	<b>-</b>	<b>211,031</b>	<b>-</b>	<b>-1,600</b>	<b>-1,600</b>

**Part II: Revised subhead detail including additional provision**

£'000

<b>Revised Plans</b>								
<b>Resources</b>						<b>Capital</b>		
<b>Gross</b>	<b>Administration</b>	<b>Net</b>	<b>Gross</b>	<b>Programme</b>	<b>Net</b>	<b>Gross</b>	<b>Income</b>	<b>Net</b>
<b>1</b>	<b>Income</b>	<b>3</b>	<b>4</b>	<b>Income</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
<b>2</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
<b>Total for Estimate</b>								
138,212	-6,000	132,212	6,294,643	-6,630	6,288,013	1,675,105	-18,600	1,656,505
<i>Of which:</i>								
<b>Voted expenditure</b>								
138,212	-6,000	132,212	5,426,743	-6,630	5,420,113	1,675,105	-18,600	1,656,505
<b>Non-voted expenditure</b>								
-	-	-	867,900	-	867,900	-	-	-



**Part II: Resource to cash reconciliation**

£'000

	Present Plans	Changes	Revised Plans
<b>Net Resource Requirement</b>	<b>6,704,875</b>	<b>-284,650</b>	<b>6,420,225</b>
<b>Net Capital Requirement</b>	<b>1,394,000</b>	<b>262,505</b>	<b>1,656,505</b>
<b>Accruals to cash adjustments</b>	<b>-328,481</b>	<b>-230,485</b>	<b>-558,966</b>
<i>Of which:</i>	-	-	-
<i>Adjustments to remove non-cash items:</i>	-	-	-
Depreciation	-21,000	-	-21,000
New provisions and adjustments to previous provisions	-301,000	36,600	-264,400
Departmental Unallocated Provision	-88,646	88,646	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-300	-10,000	-10,300
<i>Adjustment for NDPBs:</i>	-	-	-
Remove voted resource and capital	-19,741	-2,635	-22,376
Add cash grant-in-aid	19,741	-	19,741
<i>Adjustments to reflect movements in working balances:</i>	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-354,000	-354,000
Use of provisions	82,465	10,904	93,369
<b>Removal of non-voted budget items</b>	<b>-836,000</b>	<b>-31,900</b>	<b>-867,900</b>
<i>Of which:</i>	-	-	-
Consolidated Fund Standing Services	-836,000	-31,900	-867,900
Other adjustments	-	-	-
<b>Net Cash Requirement</b>	<b>6,934,394</b>	<b>-284,530</b>	<b>6,649,864</b>

## Part III: Note A - Forecast Operating Cost Statement & Reconciliation Table

	£'000
	Revised Plans
Gross Administration Costs	134,289
<i>Less:</i>	
Administration DEL Income	-6,000
<b>Net Administration Costs</b>	<b>128,289</b>
Gross Programme Costs	7,086,772
<i>Less:</i>	
Programme DEL Income	-6,630
Programme AME Income	-
Non-budget income	-
<b>Net Programme Costs</b>	<b>7,080,142</b>
<b>Total Net Operating Costs</b>	<b>7,208,431</b>
<i>Of which:</i>	
Resource DEL	5,247,926
Capital DEL	1,656,105
Resource AME	304,400
Capital AME	-
Non-budget	-
<i>Adjustments to include:</i>	
Departmental Unallocated Provision (resource)	-
Consolidated Fund Extra Receipts in the budget but not in the OCS	-
<i>Adjustments to remove:</i>	
Capital in the OCS	-1,656,105
Non-Budget Consolidated Fund Extra Receipts in the OCS	-
Other adjustments	867,899
<b>Total Resource Budget</b>	<b>6,420,225</b>
<i>Of which:</i>	
Resource DEL	6,209,194
Resource AME	211,031
<i>Adjustments to remove:</i>	
Consolidated Fund Extra Receipts in the resource budget	-
Other adjustments	-
<b>Total Resource (Estimate)</b>	<b>6,420,225</b>

## Part III: Note B - Analysis of Departmental Income

	£'000
	Revised Plans
<b>Voted Resource DEL</b>	<b>-12,630</b>
<i>Of which:</i>	
Administration	
Sale of goods and services	-6,000
<i>Of which:</i>	
Section G: Total Operating Costs	-6,000
Total Administration	-6,000
Programme	
Sale of goods and services	-6,000
<i>Of which:</i>	
Section H: Central Programmes	-6,000
Other grant income (including repayments of grants/subsidies)	-630
<i>Of which:</i>	
Section H: Central Programmes	-630
Total Programme	-6,630
<b>Total Voted Resource Income</b>	<b>-12,630</b>
<b>Voted Capital DEL</b>	<b>-17,000</b>
<i>Of which:</i>	
Programme	
loan , etc, repayments	-17,000
<i>Of which:</i>	
Section H: Central Programmes	-17,000
<b>Voted Capital AME</b>	<b>-1,600</b>
<i>Of which:</i>	
Programme	
loan , etc, repayments	-1,600
<i>Of which:</i>	
Section P: Central Programmes	-1,600
<b>Total Voted Capital Income</b>	<b>-18,600</b>

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

---

No CFER income or receipts are expected in 2011-12.

## 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**                      Mark Lowcock, Permanent Secretary / Accounting Officer

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

**NDPB Accounting Officers**              Professor Tim Unwin, Commonwealth Scholarship Commission

Mark Lowcock, Permanent Secretary / Accounting Officer 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**

As in existing provision

## Part III: Note K - Contingent Liabilities

Nature of liability	£'000
Callable element of capital subscription : Internal Bank for Reconstruction and Development	5,080,879
Callable element of capital subscription : other International Financial Institutions	4,736,774
UK share of EU member states collective guarantee of lending by EIB under Lome	101,180
UK National Guarantee of EIB lending to UK overseas territories	337
UK National Guarantee of lending by a non UK overseas territory	167,310
Contributions to international financial institutions - promissory notes still to be deposited	2,847,697

