

Security and Intelligence Agencies

Introduction

This Supplementary Estimate is required for the following purposes:

Changes in budgets, non-budget voted provision and cash	Increases	Reductions	Total
i. Transfer to HMRC for contribution to the National Cyber Security Programme		-300,000	
ii. Transfer to Cabinet Office for contribution to the National Cyber Security Programme		-5,650,000	
iii. Transfer to Cabinet Office for administration expenditure		-225,000	
iv. Transfer to CPS for contribution to the National Cyber Security Programme		-200,000	
v. Transfer from MoD for contribution to the National Cyber Security Programme	1,900,000		
vi. Transfer to Home Office for contribution to the National Cyber Security Programme		-3,036,000	
vii. Transfer to DECC for Critical Capabilities Pool Funding		-3,620,000	
viii. Transfer from FCO for the expansion and capabilities of the Security and Intelligence Agencies	520,000		
ix. 2011-12 budget exchange to 2012-13		-16,660,000	
x. Transfer of Admin expenditure to capital expenditure for the expansion and capabilities of the Security and Intelligence Agencies		-4,000,000	
xi. Transfer of Programme expenditure to capital expenditure for the expansion and capabilities of the Security and Intelligence Agencies		-15,340,000	
xii. Decrease in ring-fenced resource in respect of Property, Plant and Equipment (PPE)		-22,535,000	
xiii. Increase in Admin income offset fully by increases in Admin expenditure	2,800,000	-2,800,000	
xiv. Increase in Programme income offset fully by increases in Programme expenditure	8,840,000	-8,840,000	
Total change in Resource DEL (Voted)	14,060,000	-83,206,000	-69,146,000

Introduction

i. Increase in AME provisions for the expansion and capabilities of the Security and Intelligence Agencies	20,548,000		
ii. Increase in AME resulting from revaluation of Property, Plant and Equipment (PPE)	150,000		
Total change in Resource AME (Voted)	20,698,000		20,698,000
i. Transfer to MoD for contribution to the National Cyber Security Programme		-20,000	
ii. Transfer to Home Office for contribution to the National Cyber Security Programme		-1,570,000	
iii. Transfer to HMRC for contribution to the National Cyber Security Programme		-540,000	
iv. Transfer to DECC for Critical Capabilities Pool Funding		-3,560,000	
v. 2011-12 budget exchange to 2012-13		-5,840,000	
vi. Transfer of Admin expenditure to capital expenditure for the expansion and capabilities of the Security and Intelligence Agencies	4,000,000		
vii. Transfer of Programme expenditure to capital expenditure for the expansion and capabilities of the Security and Intelligence Agencies	15,340,000		
viii. Increase in Admin income offset fully by increases in Admin expenditure	13,492,000	-13,492,000	
Total change in Capital DEL (Voted)	32,832,000	-25,022,000	7,810,000
Reduction in net cash requirement as a result of the above and associated changes in non-cash adjustments		-26,101,000	
Total change in Net cash requirement		-26,101,000	-26,101,000

Part I

	Voted	Non-Voted	Total
Departmental Expenditure Limit			
Resource	-69,146,000	-	-69,146,000
Capital	7,810,000	-	7,810,000
Annually Managed Expenditure			
Resource	20,698,000	-	20,698,000
Capital	-	-	-
Total Net Budget			
Resource	-48,448,000	-	-48,448,000
Capital	7,810,000	-	7,810,000
Non-Budget Expenditure	-		
Net cash requirement	-26,101,000		

Supplementary amounts required in the year ending 31 March 2012 for expenditure by Security and Intelligence Agencies on:

Departmental Expenditure Limit:Expenditure arising from:

administration and operational costs, research and development works, equipment and other payments, and associated depreciation and any other non-cash costs falling in DEL.

Income arising from:

the sale of services to other government departments, the recovery of costs of staff on loan, recovery from staff for miscellaneous items and certain other services. The sale of fixed assets, freehold interest and land.

Annually Managed Expenditure:Expenditure arising from:

provisions and other non-cash items.

Security and Intelligence Agencies 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			
	1	2	3	4	5	6	7	8	9
Spending in Departmental Expenditure Limits (DEL)									
Voted expenditure	81,900	1,951,120	-4,225	-64,921	77,675	1,886,199	378,345	7,810	386,155
<i>Of which:</i>									
A Security and Intelligence Agencies	81,900	1,951,120	-4,225	-64,921	77,675	1,886,199	378,345	7,810	386,155
Total Spending in DEL			-4,225	-64,921				7,810	
Spending in Annually Managed Expenditure (AME)									
Voted expenditure	-	5,330	-	20,698	-	26,028	-	-	-
<i>Of which:</i>									
B Spending in Annually Managed Expenditure	-	5,330	-	20,698	-	26,028	-	-	-
Total Spending in AME			-	20,698				-	
Total for Estimate			-4,225	-44,223				7,810	
<i>Of which:</i>									
Voted expenditure			-4,225	-44,223				7,810	
Non-voted expenditure			-	-				-	

£'000

	Present Plans	Changes	Revised Plans
Net cash requirement	2,035,782	-26,101	2,009,681

Part II: Revised subhead detail including additional provision**£'000**

Revised Plans									
Resources						Capital			
Gross	Administration		Gross	Programme	Net	Gross	Income	Net	
1	Income	Net	4	Income	5	6	7	8	9
Spending in Departmental Expenditure Limits (DEL)									
Voted expenditure									
95,225	-17,550	77,675	2,079,535	-193,336	1,886,199	411,347	-25,192	386,155	
<i>Of which:</i>									
A Security and Intelligence Agencies									
95,225	-17,550	77,675	2,079,535	-193,336	1,886,199	411,347	-25,192	386,155	
Total Spending in DEL									
95,225	-17,550	77,675	2,079,535	-193,336	1,886,199	411,347	-25,192	386,155	
Spending in Annually Managed Expenditure (AME)									
Voted expenditure									
-	-	-	26,028	-	26,028	-	-	-	
<i>Of which:</i>									
B Spending in Annually Managed Expenditure									
-	-	-	26,028	-	26,028	-	-	-	
Total Spending in AME									
-	-	-	26,028	-	26,028	-	-	-	
Total for Estimate									
95,225	-17,550	77,675	2,105,563	-193,336	1,912,227	411,347	-25,192	386,155	
<i>Of which:</i>									
Voted expenditure									
95,225	-17,550	77,675	2,105,563	-193,336	1,912,227	411,347	-25,192	386,155	
Non-voted expenditure									
-	-	-	-	-	-	-	-	-	

Part II: Resource to cash reconciliation

£'000

	Present Plans	Changes	Revised Plans
Net Resource Requirement	2,038,350	-48,448	1,989,902
Net Capital Requirement	378,345	7,810	386,155
Accruals to cash adjustments	-380,913	14,537	-366,376
<i>Of which:</i>	-	-	-
<i>Adjustments to remove non-cash items:</i>	-	-	-
Depreciation	-382,400	2,255	-380,145
New provisions and adjustments to previous provisions	2,070	-418	1,652
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-283	-	-283
<i>Adjustment for NDPBs:</i>	-	-	-
Remove voted resource and capital	-	-	-
Add cash grant-in-aid	-	-	-
<i>Adjustments to reflect movements in working balances:</i>	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-300	12,700	12,400
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Removal of non-voted budget items	-	-	-
<i>Of which:</i>	-	-	-
Consolidated Fund Standing Services	-	-	-
Other adjustments	-	-	-
Net Cash Requirement	2,035,782	-26,101	2,009,681

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

	£'000
	Revised Plans
Gross Administration Costs	95,225
<i>Less:</i>	
Administration DEL Income	-17,550
Net Administration Costs	77,675
Gross Programme Costs	2,105,563
<i>Less:</i>	
Programme DEL Income	-193,336
Programme AME Income	-
Non-budget income	-
Net Programme Costs	1,912,227
Total Net Operating Costs	1,989,902
<i>Of which:</i>	
Resource DEL	1,963,874
Capital DEL	-
Resource AME	26,028
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	-
Non-Budget Consolidated Fund Extra Receipts in the OCS	-
Other adjustments	-
Total Resource Budget	1,989,902
<i>Of which:</i>	
Resource DEL	1,963,874
Resource AME	26,028
<i>Adjustments to remove:</i>	
Consolidated Fund Extra Receipts in the resource budget	-
Other adjustments	-
Total Resource (Estimate)	1,989,902

Part III: Note B - Analysis of Departmental Income

	£'000
	Revised Plans
Voted Resource DEL	-210,886
<i>Of which:</i>	
Administration	
Sale of goods and services	-17,550
<i>Of which:</i>	
Section A: Security and Intelligence Agencies	-17,550
Total Administration	<u>-17,550</u>
Programme	
Sale of goods and services	-193,336
<i>Of which:</i>	
Section A: Security and Intelligence Agencies	-193,336
Total Programme	<u>-193,336</u>
Total Voted Resource Income	<u>-210,886</u>
Voted Capital DEL	-25,192
<i>Of which:</i>	
Programme	
Sale of assets	-25,192
<i>Of which:</i>	
Section A: Security and Intelligence Agencies	-25,192
Total Voted Capital Income	<u>-25,192</u>

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	Kim Darroch
---------------------------	-------------

Kim Darroch 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*.