

**Defra Accounting Officer's
Accountability Systems Statement**

September 2012

1. Overview

- 1.1 As Permanent Secretary, I am appointed by HM Treasury to be the Principal Accounting Officer for the Department for Environment, Food and Rural Affairs (Defra) with responsibility for all funding covered by the Defra Estimate approved by Parliament. This appointment is made under the terms of the Government Resources and Accounts Act 2000 Section 5(6) and gives me the authority to commit the resources covered by the Estimate. However, I also receive direct from HM Treasury a set of delegated spending authorities which specify the circumstances when I must seek separate additional Treasury approval to commit resources, for example, for Major Projects in excess of £100m.
- 1.2 As Principal Accounting Officer for Defra, I am accountable to Parliament for the proper stewardship of the resources allocated to my Department. The key responsibilities of Accounting Officers are set out in the HM Treasury Guidance *Managing Public Money*, particularly Chapter 3, and include ensuring regularity, propriety, feasibility and value for money.
- 1.3 I am accountable to HM Treasury for ensuring that Defra will spend its resources in a manner which ensures regularity, propriety and value for money. I am accountable for the system of governance and reporting through which the Department operates and, should it fail to provide me with the necessary assurances, I would make the appropriate recommendations for change. This document summarises the systems I have in place to assure HM Treasury that I can provide this accountability.
- 1.4 A significant percentage (75%) of Defra's Exchequer funding is distributed to the Defra Network, which includes Executive Agencies, Non-Departmental Public Bodies (NDPBs), Public Corporations, Advisory Boards, Tribunals, Parks Authorities, Levy bodies, and non-Ministerial Departments (hereafter, collectively referred to as 'Network Bodies'). As overall custodian of resources Voted by Parliament through Defra's Estimate I am Principal Accounting Officer for all of Defra's funds, whether they are allocated to Network Bodies or not. This document describes how I, as Principal Accounting Officer, hold the Accounting Officers of Defra's Network Bodies to account, but it should be noted that these bodies also have their own systems of accountability which specify how each individual Accounting Officer oversees the use of their organisation's resources.
- 1.5 In addition I am the Accounting Officer, along with the Rural Payments Agency Chief Executive (who is responsible for the Single Payment Scheme element), for the funding which Defra receives from the European Union. In

2011/12 this amounted to £2.5bn, of which £2bn relates to the Single Payment Scheme.

- 1.6 This document outlines how the accountability system works in relation to all of Defra's funding, through successive layers of control. Each section builds on the preceding ones, covering in turn accountability:
- a) in the core Department (section 2);
 - b) in relation to Network Bodies (section 2);
 - c) The process for distributing funding, and how distribution decisions are made (section 3).
 - d) in relation to funds provided by the Core Department or our Network Bodies to Local Authorities (section 4); and
 - e) in relation to funds provided by the Core Department or our Network Bodies to other organisations (section 5).
 - f) The arrangements for dealing with underperformance and failure (section 6).
- 1.7 The availability of high quality management information within the Department is essential to maintaining accountability. Internally (section 2), this is secured through the core Defra's scrutiny and challenge of management information from the Network bodies.
- 1.8 Externally (sections 4 and 5), more information is now available through public data systems, such as data.gov.uk, which includes information from Local Authorities and other organisations.

2. The Core Department

2.1 Within Core Defra, I delegate to Directors the authority to commit resources within predefined limits, together with the responsibility for proper stewardship of these resources and compliance with the requirements of *Managing Public Money*. Directors' accountability is formalised through Delegated Authority Documents (DADs) which they receive at the start of the financial year in question. The DADs confirm budgets and objectives for the year, for which Directors are personally held to account.

2.2 The key elements of the governance structures underpinning accountability for Defra (and its Network Bodies), and financial checkpoints, are as follows:

- The **Supervisory Board** (the Board) comprises the Secretary of State (Chair), three Defra Ministers, four Non-Executive Directors (NEDs), the Permanent Secretary, the Directors General (DGs) and the Finance Director (FD). The Board has oversight of the performance of the core Department, Network Bodies, and the work of its sub-committees. The Board provides collective strategic and corporate leadership to the Department. It regularly scrutinises and challenges financial and performance data, and maintains a strategic oversight of the Department's significant activities and risks.
- The **Executive Committee** consists of the Permanent Secretary and Directors General. It has high-level oversight of the operational running of the Department, and so provides me with a further layer of assurance and challenge with regard to the Department's effective use of its resources.
- The **Audit and Risk Committee** (ARC) is a sub-committee of the Board, consisting of four non-executive members, at least one of whom is a Non-Executive Director on the Board. The ARC supports and advises me and the Board on issues of risk, control, governance and other related matters. In particular, these include the adequacy of management response to issues identified by internal and external auditors, the annual accounts, the strategic processes for risk management, and risk appetite. It also oversees corporate governance, our relationship with the NAO, and arrangements for combating fraud.
- The **Nominations Committee** (NC) is a sub-committee of the Board. It is chaired by the Lead Non-Executive Director, and its members are the Permanent Secretary, the Director of Human Resources, and the Head of Talent. It ensures that there are satisfactory systems for identifying and developing leadership within the Department, and scrutinises the operation of the incentive regime and succession planning for the Board Non-Executive Members and the senior leadership of the Department.

- **Agency Owner Boards** (for AHVLA, CEFAS, VMD and FERA) are chaired by Corporate Owners (DGs), and comprise Corporate Customers (relevant Directors) and the CEO of the relevant Agency. The same applies to the RPA Oversight Board which is chaired by the Minister of State.
- **Directors** are responsible to the Board for delivery of their objectives, for maintaining a robust forecast position within DEL limits, and that the activities involved have been through an Internal Assurance process, as well as the Major Projects Authority Gateway process where relevant.
- **CEOs** of Executive Agencies, NDPBs or other Network Bodies are responsible, as the Accounting Officers of their respective organisations, through Defra Owners/Oversight Boards for Agencies or through their Boards for NDPBs, for delivery of their objectives, for maintaining a robust forecast position within DEL limits and for agreeing legal frameworks and business plans. Defra Owner Boards are separate from each Body's Executive Board which is responsible for the day to management of the organisation and for ensuring delivery of its key objectives.
- **Internal Audit & Assurance** undertakes a programme of risk-based internal audits and advisory work to provide assurance to the Accounting Officer and the ARC on the overall adequacy and effectiveness of the Department's framework of governance, risk management and control.
- **External Audit** is provided by the NAO which is responsible on behalf of parliament for holding Defra to account for the way it uses public money, thereby safeguarding the interests of taxpayers. This is achieved through the independent audit of Defra's annual financial statements on behalf of Parliament and through its programme of value for money reviews.

2.3 There is an annual process for assessing the way in which these controls and processes operate in practice which informs the Governance Statement in Defra's Annual Report and Accounts. The draft Governance Statement is subject to the scrutiny of the Audit and Risk Committee, with NAO and internal audit representatives, and the Defra Board, before it is published in the Department's Annual Report and Accounts. The Governance Statement provides important evidence on the effective operation of internal controls, accountability and governance, including:

- A high-level commentary and assurance on risk management and internal controls throughout Core Defra and Network Bodies.
- An overview of financial management and internal controls and processes, built up from a body of evidence and subject to audit scrutiny. This evidence includes an Assurance Statement signed by each Director or

CEO of an Agency confirming the proper operation of internal controls and governance, including financial controls, in their areas of responsibility for the year in question.

- Findings from Key Control Audits and other evidence such as the Head of Internal Audit's annual 'Opinion'.

The Accountability of the Defra Network

- 2.4 I appoint the Chief Executive Officers (CEOs) of the Department's Executive Agencies and Executive NDPBs as the Accounting Officers for these bodies. As with Directors, I delegate to them the authority to commit resources within budget limits, and the responsibility for their proper stewardship.
- 2.5 Executive Non-Departmental Public Bodies are established in statute and each has a legal framework setting out its statutory duties and responsibilities. Executive NDPBs are accountable to Parliament rather than to HM Government, because they are not part of the Crown and have their own legal identity. Nevertheless, Ministers are ultimately accountable to Parliament for NDPBs' efficiency and effectiveness, because they are responsible for NDPBs' founding legislation, have influence over NDPBs' strategic direction, (usually) appoint their Boards, and have the ultimate sanction of abolition or reform subject to Parliament's approval where this requires a change in statute.
- 2.6 Public bodies within the Defra Network have some flexibility to reallocate their budgets across the range of services they are required to provide (apart from some areas of allocated spend which is ring-fenced for particular projects/programmes). Defra has a number of controls in place to ensure that proper review of Network spending is maintained. The key controls are as follows.
- A Delegated Authority Document (DAD) which I send to each Network CEO/Accounting Officer outlining what is expected of them and their areas of responsibility and accountability. All functions must be fulfilled and CEOs may be held to account for performance issues and failures that may occur.
 - A clear and formal annual business planning process including sign off by Ministers where appropriate. Business planning determines the resources for each Network Body based on a common understanding of what is required, sets out what outcomes are to be delivered, and how performance will be measured throughout the year. Business Plans are published for each Network body.

- Strong sponsorship arrangements, led by senior Defra officials, providing a clear and consistent challenge which ensures that Defra Network Bodies deliver their required objectives during the year, formalised and monitored through Memoranda of Understanding, Framework Agreements or Service Level Agreements (as appropriate).
- A clear financial monitoring process for Executive Agencies and major NDPBs which provides monthly detailed financial and other management information through a standardised Management Information (MI) Pack. (Finance teams combine intelligence gained from these packs into a financial, performance and risk-based analysis for scrutiny by the Board on a quarterly basis.)
- A central strategic risk register is maintained, drawing on Network strategic risk registers, and is discussed at meetings of the Board.
- All Network Bodies produce a set of annual accounts which are externally audited by the National Audit Office.

2.7 As with the Core Defra Governance Statement (see section 2.3), each Network Body must provide the Department with a copy of its own Governance Statement which has been approved by their ARC. This body of evidence, as well as the draft Governance Statement itself, is subject to further internal audit and NAO review.

2.8 In summary, accountability of the Defra Network is enforced through a clear, evidence-based business planning process, initiated well in advance of each financial year, and supported by governance, monitoring and audit and risk processes.

3. The Distribution of Funding

- 3.1 In the medium term (currently four years), funding over the course of the Spending Review is agreed by Parliament and issued to the Department by HMT. I hold the accountability for maintaining the established control totals, and this is confirmed through the Settlement Letter. Currently, the Department is operating under the 2010 Spending Review.
- 3.2 The control totals comprise of Admin, Programme (grouped as Resource) and Capital budgets. On an annual basis, HMT issues the Main Estimate, providing the annual breakdown of the Settlement. At this level there is an opportunity to redistribute funds between control totals once a year through the Supplementary Estimate if agreed by HMT. Beyond this allocations process, it is my responsibility as Principal Accounting Officer for the Department to delegate the authority to commit these resources, together with the responsibility for proper stewardship of these resources and compliance with the requirements of *Managing Public Money*.
- 3.3 There are different processes in place for Resource and Capital allocations. Capital budgets are overseen by the Heads of Profession/Function Panel and are delegated for specific Capital projects. Details of the specific projects and conditions of budgets are advised by the Panel through heads of function for Estates, Information Services and Scientific Equipment.
- 3.4 Approval for Capital projects, as well as the opportunity to challenge and overturn decisions made by the Heads of Profession/Function Panel, is given by the Central Approval Panel who review the relevant business case. All Capital projects that pass this control process will then seek Ministerial approval from the Supervisory Board.
- 3.5 For Resource budgets, there is a different process, explained below.

a) Core Department

Within Core Defra, authority is delegated to Directors to commit the Resource allocation of the Main Estimate, together with the responsibility for proper stewardship of these resources and compliance with the requirements of *Managing Public Money*. Directors' accountability is formalised through Delegated Authority Documents (DADs) which I issue at the start of the financial year. The DADs confirm budgets and objectives for the year, for which Directors are personally held to account.

In 2013/14 DADs will summarise the resources allocated to each Director as a reflection of the business plans produced during the preceding financial year.

Business plans align allocations of resources to reflect the prioritised outcomes of the Department. The process of integrated business planning is new for 2013/14; in 2012/13 an interim process of Delivery Agreements between Directors and Directors General has been used. The prioritisation of these outcomes are approved by the Central Approval Panel (CAP). Following approval by CAP the business plans and associated priorities are then reviewed, challenged and approved by the Supervisory Board.

b) Network Bodies

As described in Section 2.4, I appoint the Chief Executive Officers (CEOs) of the Executive agencies and Non-Departmental Public Bodies (NDPBs) as Accounting Officer of the respective Network Body. Each Network CEO/Accounting Officer receives a Delegated Authority Document (DAD) outlining expectations and areas of responsibility and accountability.

Network Body Accounting Officers are accountable for their overall budgets whether they receive funding from policy directors buying services (in the case of net cost agencies); or as grant-in-aid from sponsoring policy Directors (in the case of NDPBs).

For Executive Agencies, the majority of funding is allocated through policy Directors (in addition to the external funding that they receive). Policy Directors are held accountable only for their own outcomes; including the direct spend with agencies to deliver their outcomes. The process for distributing funding and the basis for the distribution decisions therefore relate back to the business plans outlined by each Director.

Overall Accounting Officer accountability, providing budget accountability, is provided by the DG Chief Operating Officer supported by The Executive Agencies Relationship team within core Defra. The DG COO, as the single corporate owner of Defra's five Executive Agencies, provides a clear reporting line between the Agency's Accounting Officer and myself.

Currently NDPBs receive their budgets through a single policy Director, who sub-delegates to the NDPB.

c) Re-distribution of allocations

Re-distribution of allocations follows different control processes depending on the degree of change required.

For intra-directorate re-allocations there are three main categories. Firstly, there are those which are affordable within the Director's budget and have no material effect on Ministerial priorities. Here the level of action is at the Director's discretion, therefore maintaining sole accountability for the process.

For those which are affordable but would affect allocations to Ministerial Priorities, consultation with the Finance Director or DG is advised, providing a clear escalation of accountability. In these cases there is the opportunity for challenge/overturn by the Supervisory board or Management Committee through monthly management reporting.

Finally, if there is a material effect on ministerial priorities and it is unaffordable within given allocations then the case would be presented to the Central Approval Panel (CAP) along with a business case. Any changes to overall control totals are prohibited without approval by HMT.

For inter-directorate reallocations, similar processes are followed. In the instance of neutral transfers between directors, that do not affect ministerial priorities, approval by the relevant finance Deputy Director provides an appropriate line of accountability.

Re-allocations requiring a bid for additional funding are either referred to CAP; or in the case of capital to the Capital Heads of Profession/Function Panel. In this instance there will be a variance from the accountability delegated within the DAD issued at the beginning of the financial year. The DAD is not re-issued, but a robust audit trail of movements is maintained by finance business partners.

4. Local Authority Funding and Accountability

- 4.1 In addition to local authorities being in receipt of Revenue Support Grant, (apportioned from the local government DEL), which accounts for the delivery of a wide range of services in which Defra has a policy interest, Defra also provides a number of Capital and Resource (revenue) grants to local authorities from its own DEL. In accordance with the Coalition Government's policy, these grants are not ring-fenced. This means that the grants will not be subject to any additional Defra *restrictions* on how the local authorities (LAs) in receipt of the grant use the resources. However, there is a robust audit process in place for all such funds through the normal accountability requirements placed on LAs as independent statutory bodies.
- 4.2 LA resources from various central government sources are pooled at a local level, including through a multi-departmental payment mechanism called the Local Services Support Grant (LSSG). The Department of Communities & Local Government's Accounting Officer, as lead Accounting Officer across central government with respect to local government, provides the assurance that a core framework is in place that requires LAs to act with regularity, propriety and value for money in the use of all of these resources.
- 4.3 Within this core framework, LAs are responsible and accountable for the legal use of funds, and every LA has a responsibility to make arrangements for the proper administration of their financial affairs, and to ensure that one of their officers has responsibility for the administration of those affairs. A system of legal duties requires councillors to spend money with regularity and propriety. LAs are required to have an annual external audit, and the certification of LAs' annual accounts by the auditor provides general assurance that the totality of their expenditure is within their legal powers. LA auditors also assess whether authorities have used their resources effectively as part of their annual audit of accounts. Ultimately LAs are accountable to their local electorate.
- 4.4 As well as the accountability provided through the core framework, specific Defra grants are often provided in recognition of a statutory obligation on local authorities to perform a function or provide a service. This reflects New Burdens procedures, whereby the net additional cost of all new burdens placed on local authorities (including parishes, police and fire and rescue authorities) by central Government must be assessed and fully and properly funded¹. Legislative and regulatory frameworks are also in place where LAs provide services where outcomes are of direct policy interest to Defra, but which are funded through receipts other than direct grants from the department (such as revenue support grant, council tax or other locally raised

¹ <http://www.communities.gov.uk/publications/localgovernment/newburdens2011>

sources). In these cases the relevant legislative and regulatory framework defines the powers and duties of the relevant LAs, including, where necessary, their formal reporting requirements.

4.5 Other specific Defra grants may be made to address a specific need, for example for a time-limited programme or project, and can be demand-led, reimbursing expenditure in areas where it is difficult to forecast, or 'pump priming', or piloting new approaches or policies. In such cases, value for money is scrutinised in the relevant approvals process, and outcomes are often specified explicitly in the agreement and claim processes. These arrangements are established in a way that allows LAs the flexibility to respond to local priorities, pursue balanced outcomes, and choose their own methods of achieving desired outcomes, whilst taking into account Government policy.

4.6 An example of a specific control process we use for local authorities is that for waste policy. The control process for waste PFI schemes includes:

- a staged business case bidding process which requires approval from Defra's Waste Infrastructure Delivery Programme (WIDP) and its Executive Board, then Defra Ministers and HM Treasury;
- a Defra 'Transactor' embedded for the first 15 months in the LA management team managing the project (the 'Transactor' provides monthly reports to Defra on how the project is progressing and highlights issues such as those relating to the Authorities ongoing entitlement to receive the WIDP grant); and
- after 15 months, the LA takes responsibility for producing the reports to Defra, again on a monthly process.

5. Other Areas of Accountability

- 5.1 There are other areas where Defra funding is allocated, for example to voluntary organisations, private companies and charities. Some examples of these include the Rural Community Action Network, Keep Britain Tidy, the Advisory Committee on Releases to the Environment, the Greener Living Fund, Regional Climate Change Partnerships, the Flood Rescue Grant, the Coastal Partnership Network, Coastnet/NT Brownsea Island, the Social Enterprise Strategic Partnership and the Waste and Resources Action Programme.
- 5.2 For all of these organisations Defra ensures that a contract, or a Memorandum of Understanding, or a Service Level Agreement, is in place to ensure that funds are controlled effectively and services are delivered.
- 5.3 An example of how this operates is the Waste & Resources Action Programme (WRAP), a not for profit private company limited by guarantee.
- Before the start of the financial year, Defra issues a ‘Strategic Steer’ document to WRAP, setting out the resource efficiency priorities to be delivered in the next financial year, and agrees a detailed Grant Agreement (GA) cleared by both Defra Legal and Procurement teams. The GA sets out financial risks and issues, along with mitigating measures and adjustments to programmes of work as necessary.
 - WRAP provides Defra with monthly financial returns and quarterly progress reports against programme and expenditure plans.
 - WRAP operates according to the principles of Corporate Governance as set out in the Combined Code on Corporate Governance. WRAP has an Audit Committee that considers the integrity of financial statements, the internal financial controls and risk management systems. The Committee reports to the WRAP Board, which has a Defra representative as a Non-Executive Director.
 - WRAP is subject to the provisions of the Companies Act and is audited within the provisions of that Act. WRAP delivers some of its work through third parties. For larger areas of work, contracts are awarded according to EU procurement rules.

6. Underperformance and Failure

- 6.1 In core Defra a clearer line of accountability has been established through the Change Programme, giving Directors more responsibility and therefore holding them more to account. Business plans are the baseline against which performance measures can be based.
- 6.2 Monthly reports are produced by each business area through the coordination of finance business partners with Directors (Director Update Report produced). This is reported to the Finance and Performance Value Management team where it is consolidated to form part of the Management Information Pack, which is scrutinised by the Supervisory Board or Executive Committee depending on the calendar. Performance and finance reporting has been aligned to ensure that they are considered collectively, with performance reporting being produced on an exceptions basis so that the Management Information received provides a one page summary incorporating risks and opportunities for each Director. In this case the accountability is retained by each Director with appropriate control processes in place to provide assurance.
- 6.3 The quarterly forecasting process is being strengthened to ensure a stronger forecast of under-spends. Forecasts are analysed and reported to Directors prior to a Quarterly Review with DGs. The Quarterly Reviews between the DG and Finance Director are a key control process as recognised by the NAO. They provide the opportunity for challenge and enable both the DG and the Finance Director to agree a forecast position for Defra and provide a clear line of accountability from Director to DG level. These reviews provide the tools for Defra to make effective strategic decisions about its funding.
- 6.4 Measures in place to deal with underperformance and failure in Defra's Network Bodies are covered in paragraphs 2.5 - 2.8 above. In addition, it is worth noting that Defra's new Chief Operating Officer (COO) has a clearly defined relationship with Executive Agencies in this respect. As the single corporate owner of Defra's five Executive Agencies, the DG COO provides a clear reporting line between myself and the Agency's Accounting Officer.

7. Conclusion

- 7.1 Defra has in place a robust system of accountability for the use of public funds which I can rely on as Accounting Officer. This system allows me to provide the assurance that Defra and its Network Bodies spend their money in line with the principles set out in *Managing Public Money*. The key elements are legal and financial controls underpinned by a set of clearly-defined governance structures. Together these ensure that spending is allocated and used to generate value for the public, transparently and with appropriate accountability to Parliament.

Bronwyn Hill

Permanent Secretary, Defra

Annex 1

Grants to local authorities provided within Defra's Departmental Expenditure Limit, following the SR10 settlement (the position as at July 2012):

Grant	2011-12	2012-13	2013-14	2014-15	Accountability mechanism
	£ million				
Resource (Revenue) Grants					
Lead Local Flood Authorities	21	36	36	36	Local Services Support Grant (LSSG) ^{2 3}
Inshore Fisheries Conservation Authorities ⁴	3	3	3	3	LSSG (footnote 3)
Waste Support to Incentives Pilots (Household Waste Reward and Recognition Scheme) ⁵	0.5	1	0.5	0	'Bid in' see Note below
Delivery of waste partnership	1	0.887	0.774	0.66	Paid to/ distributed via iESE ⁶
Commons Registration Authorities ⁷	0.022	0.022	0.119	0.119	Section 31 grant payment
SuDS Maintenance Costs ⁸	0	3	6	10	See footnote 8
Isles of Scilly Waste	0.3	0.3	4	1	Section 31 grant payment
Waste Infrastructure PFI grant	74.5	76.1 ⁹	80.38	99.49	See footnote 9
Capital Grants					
Bathing Water Regulations 2008 Grant Determination ¹⁰	0.153	0.047	-	-	Section 31 grant payment
Isles of Scilly Water Grant ¹¹	1.5	*	*	*	Section 31 grant payment
Air Quality Management	3.1	2	*	*	'Bid in'
London Waste Recycling Board waste infrastructure investment fund	2	See footnote ¹²	*	*	Transfer agreement

(* To be confirmed)

Note: All grants are not ring-fenced. For those grants that are not paid via the Local Services Support Grant, nor are direct transfers to third parties (including section 31 payments), accountability is maintained through a 'bidding in' process, which requires a LA either to set out what they are going to deliver in a bid or claiming for work already completed. An example of the associated control process for waste PFI schemes is given in section 4.

² It has been agreed that £21million will be rolled into the new Business Rates Retention payment mechanism commencing April 2013 (for each 2013-14 and 2014-15). The remaining amount will be paid either via LSSG, or if that mechanism does not continue as a section 31 grant.

³ The Local Services Support Grant is the payment mechanism for 2011-12 and 2012-13; but its continuation yet to be confirm beyond this.

⁴ This is "New Burdens" funding currently paid via the LSSG. Its continuation will be evaluated during the next Comprehensive Spending Review.

⁵ A reward and recognition scheme – the funding is open to community groups as well as local authorities.

⁶ Formerly known as improvement and Efficiency South East, providing sector led support for the waste and resources public sector. iESE has recently changed status to a non-profit making enterprise owned by local authorities.

⁷ Implementation of Part 1 of the Commons Act 2006 (updating the commons registers)

⁸ These figures were the anticipated Sustainable Drainage System management grant amounts at the time of SR10 settlement, on the expectation that the policy would have by then been implemented. However, due to a delay in going out to consultation, decisions are still to be finalised on implementation and grant amounts. It is anticipated this will be resolved in time for 2013-14 financial year payments to relevant LAs.

⁹ For waste PFI, £74.5million was paid in 2011/12 and £76.1m is forecast to be paid in 2012/13. This is lower than the original forecast amount as the amount of grant paid is dependent on projects financially closing or going operational on time. If projects are delayed, grant payments are moved into later years.

¹⁰ A semi-regular (5 yearly) grant in respect to costs incurred for information signage as set out in the Bathing Water Regulations 2008. 2011-12 was the main payment, the 2012-13 payment is to take into account the transfer of responsibility at privately owned bathing waters to LAs

¹¹ Paid to the Isles of Scilly Council as a one off section 31 grant in February 2012, primarily to fund capital improvements to the drinking water system along with some sewerage expenditure. Further bids may be put in for additional funds in 12/13 or 13/14

¹² From 12/13 payments are made via a baseline transfer to DCLG.