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# Department of Health

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## Introduction

1. About 96 per cent of central government expenditure on health services in England is in RfR1: the balance of voted expenditure, including the Department's costs of administering expenditure is borne on RfR2 and RfR3. Corresponding expenditure in Scotland is shown in Scotland's Supply Estimates 2009-10 and in Wales will be shown as part of the budget for the Welsh Assembly Government and in Northern Ireland is published in separate Estimates.
2. RfR1 covers current and capital expenditure of strategic health authorities and primary care trusts from their unified budgets, central departmental expenditure to and on behalf of the NHS including funding special health authorities and other national bodies, on services such as purchase of vaccines, and on service specific levies for education and training, and research and development. It also covers expenditure on non-discretionary family health services, financing for hospital building under the credit guarantee finance pilot projects, and grant in aid funding of non departmental public bodies and NHS foundation trusts. Provision is also made for issues of new public dividend capital (PDC) to and repayments of PDC and payment of dividends on PDC by NHS trusts and NHS foundation trusts, loans to and repayment of loan principal and payment of interest by NHS trusts and NHS foundation trusts and an appropriate element of NHS contributions paid by employers and employees.
3. RfR2 covers the gross administration costs of the central department and expenditure on the NHS Purchasing and Supply Authority and associated capital expenditure. It also covers non-discretionary European Economic Area and other countries medical costs and welfare food expenditure, expenditure on central health and miscellaneous services, personal social services related payments, grants to local authorities and grant funding for certain NDPBs.
4. RfR3 covers grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts.
5. There is only one change to the layout since 2008-09
  - (i) A new local authority grant for stroke strategy was introduced after the 2008-09 Main Estimates were set and continues into 2009-10 (RfR2 Line L).
6. More details about the expenditure supporting the department's objectives are set out in the departmental report.
7. Symbols are explained in the Introduction to this booklet.

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# Department of Health

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## Part I

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<b>Request for Resources 1: Securing health care for those who need it.</b>	<b>78,757,815,000</b>
<b>Request for Resources 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health</b>	<b>3,294,837,000</b>
<b>Request for Resources 3: Office of the Independent Regulator for NHS Foundation Trusts</b>	<b>16,097,000</b>
<b>Total net resource requirement</b>	<b>82,068,749,000</b>
<b>Net cash requirement</b>	<b>81,598,486,000</b>

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Amounts required in the year ending 31 March 2010 for expenditure by the Department of Health on:

### **RfR 1: Securing health care for those who need it.**

Revenue and capital expenditure for strategic health authorities and primary care trusts under their unified budgets, family health services (general ophthalmic and pharmaceutical services); Public Dividend Capital (PDC) to NHS Trusts and NHS Foundation Trusts, loans to NHS Trusts and NHS Foundation Trusts, education, training, research and development; centrally managed expenditure to and on behalf of the NHS including funding Special Health authorities and other national bodies; grants in aid; forming, investing in or providing loans or guarantees to companies that will provide facilities or services to the NHS, provision of hospital financing for credit guarantee finance pilot projects; payments to local authorities for use in local area agreements; services provided to or on behalf of the Scottish Government, Welsh Assembly Government, and Northern Ireland, and associated non-cash items.

### **RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health**

Revenue and capital administration, including certain expenditure on behalf of the Department of Work and Pensions and the National Health Service in England; departmental agencies, centrally funded health and social services (including non-departmental public bodies and special health authorities some of which are administered on a United Kingdom basis); including other local government services, prison health services, medical, scientific and technical services, services for disabled persons, grants to voluntary organisations and other bodies, information services for health and personal social services; health promotion activities (including those funded through the Department for Culture, Media and Sport); provision of personal social services (including grants to local authorities); payments to local authorities for use in local area agreements; medical treatment given to people from the United Kingdom in the European Economic Area and other countries ; welfare food; Home Office inspection of laboratories; grants in aid; payments and subscriptions to international organisations; education and training for all health care professionals (excluding doctors); the Employment Opportunities Fund programme; services provided to or on behalf of the Scottish Government, Welsh Assembly Government, Northern Ireland and the Medicines and Healthcare Products Regulatory Agency, and associated non-cash items

**RfR 3: Office of the Independent Regulator for NHS Foundation Trusts**

Grant in aid funding for the Office of the Independent Regulator for NHS Foundation Trusts.

The **Department of Health** will account for this Estimate.

	Net total	Allocated in Vote on Account	Balance to complete
<b>RfR 1</b>	<b>78,757,815,000</b>	<b>32,591,999,000</b>	<b>46,165,816,000</b>
<b>RfR 2</b>	<b>3,294,837,000</b>	<b>1,391,665,000</b>	<b>1,903,172,000</b>
<b>RfR 3</b>	<b>16,097,000</b>	<b>7,053,000</b>	<b>9,044,000</b>
<b>Total net resource requirement</b>	<b>82,068,749,000</b>	<b>33,990,717,000</b>	<b>48,078,032,000</b>
<b>Net cash requirement</b>	<b>81,598,486,000</b>	<b>33,474,467,000</b>	<b>48,124,019,000</b>

**Part II: Subhead detail****£'000**

2009-10 Provision						2008-09 Provision	2007-08 Outturn		
Resources						Capital	Non-operating	Net Total Resources	Net Total Resources
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	A in A	9	10
1	2	3	4	5	6	7	8		
<b>RfR 1: Securing health care for those who need it.</b>									
	- 100,820,937	717,413	101,538,350	22,780,535	78,757,815	3,720,033	601,000	72,193,618	68,925,888
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<i>Central Government spending</i>									
A	Strategic health authorities and primary care trusts unified budgets and central allocations								
	- 97,948,097	423,278	98,371,375	2,521,862	95,849,513	2,220,033	70,000	89,518,326	85,803,307
B	FHS - pharmaceutical services								
	- 1,145,000	-	1,145,000	-	1,145,000	-	-	1,110,155	1,053,795
C	FHS - prescription charges income								
	-	-	-	431,000	-431,000	-	-	-460,000	-432,215
D	FHS - general ophthalmic services								
	- 468,000	-	468,000	-	468,000	-	-	432,000	400,206
E	Research and Development								
	- 894,866	-	894,866	1,000	893,866	-	-	824,884	-
<i>Support for Local Authorities</i>									
F	Strategic health authorities and primary care trusts grants to local authorities								
	-	- 194,000	194,000	-	194,000	-	-	290,720	228,160
<b>Spending in Annually Managed Expenditure (AME)</b>									
<i>Central Government spending</i>									
G	Hospital financing for credit guarantee finance pilot projects and certain health authority and primary care trust impairments.								
	- 364,974	-	364,974	9,916	355,058	-	-	135,807	84,388
<b>Non-Budget</b>									
H	Grant in aid to non-departmental public bodies, NHS trusts and foundation trusts PDC issues and repayments, NHS trusts and foundation trusts loans and repayments and repayment of interest								
	-	- 100,135	100,135	1,266,000	-1,165,865	1,500,000	531,000	-1,055,976	-981,021
I	NHS contributions								
	-	-	-	18,550,757	-18,550,757	-	-	-18,602,298	-17,230,732

**Part II: Subhead detail****£'000**

2009-10 Provision						2008-09 Provision	2007-08 Outturn			
Resources						Capital	Non-operating	Net Total Resources	Net Total Resources	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	A in A			
1	2	3	4	5	6	7	8	9	10	
<b>RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health</b>						22,052	-	3,459,915	3,628,216	
<b>217,680 1,139,631 2,003,005 3,360,316 65,479 3,294,837</b>										
<b>Spending in Departmental Expenditure Limits (DEL)</b>										
<i>Central Government spending</i>										
A	Central department									
	217,680	12,215	-	229,895	3,915	225,980	20,968	-	233,483	235,312
B	NHS Purchasing and Supplies Authority									
	-	30,928	-	30,928	2,341	28,587	1,084	-	29,173	26,507
C	Other services including medical, scientific and technical services, grants to voluntary bodies, information services and health promotion activities.									
	-	269,884	28,816	298,700	3,913	294,787	-	-	391,101	280,815
D	Welfare food and European Economic Area and other countries medical costs									
	-	826,500	-	826,500	54,734	771,766	-	-	1,076,592	875,476
E	Other personal social services									
	-	104	226,436	226,540	575	225,965	-	-	241,115	241,347
F	Medicines and Healthcare Products Regulatory Agency loans, repayment of loans and interest on loans.									
	-	-	-	-	1	-1	-	-	-24	-135
<i>Support for Local Authorities</i>										
G	AIDS support grant									
	-	-	24,900	24,900	-	24,900	-	-	22,900	19,588
H	Extra Care housing grant									
	-	-	40,000	40,000	-	40,000	-	-	40,000	38,080
I	Area Based Grant									
	-	-	968,326	968,326	-	968,326	-	-	942,970	-
J	Learning Disabilities									
	-	-	31,000	31,000	-	31,000	-	-	14,000	-
K	Transforming Personalisation, Prevention & Well-being (TPPW)									
	-	-	192,000	192,000	-	192,000	-	-	82,000	-
L	Stroke Strategy									
	-	-	15,000	15,000	-	15,000	-	-	15,000	-
M	Common Assessment Framework									
	-	-	11,000	11,000	-	11,000	-	-	11,000	-
N	Social Care Infrastructure									
	-	-	16,000	16,000	-	16,000	-	-	15,000	-

**Part II: Subhead detail****£'000**

						2009-10 Provision	2008-09 Provision	2007-08 Outturn	
Resources						Capital	Non- operating	Net Total	Net Total
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	A in A	Resources	Resources
1	2	3	4	5	6	7	8	9	10
O	Social Care Capital	-	-	27,727	27,727	-	-	27,727	-
P	Mental Health Capital	-	-	22,593	22,593	-	-	22,593	-
	<i>Services for people with a mental illness including services under the mental capacity act.</i>	-	-	-	-	-	-	-	147,525
	<i>Carers' grant</i>	-	-	-	-	-	-	-	185,000
	<i>Preserved rights grant</i>	-	-	-	-	-	-	-	275,248
	<i>Improving Information management (Capital)</i>	-	-	-	-	-	-	-	24,882
	<i>National training strategy</i>	-	-	-	-	-	-	-	107,859
	<i>Access and systems capacity grant</i>	-	-	-	-	-	-	-	546,000
	<i>Human resources development strategy</i>	-	-	-	-	-	-	-	49,750
	<i>Children and adolescents mental health grant</i>	-	-	-	-	-	-	-	88,503
	<i>Delayed discharge grant</i>	-	-	-	-	-	-	-	100,000
	<i>Assistive technology: older people</i>	-	-	-	-	-	-	-	50,000
	<i>Prevention services pilots : older people</i>	-	-	-	-	-	-	-	39,325
	<i>Individual Budget Pilots</i>	-	-	-	-	-	-	-	3,340
<b>Non-Budget</b>									
Q	Grant in Aid funding of non-departmental public bodies and special health authorities	-	-	399,207	399,207	-	-	295,285	293,794

**Part II: Subhead detail**

£'000

2009-10 Provision						2008-09 Provision	2007-08 Outturn		
Resources						Capital	Non- operating	Net Total	Net Total
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	A in A	Resources	Resources
1	2	3	4	5	6	7	8	9	10
<b>RfR 3: Office of the Independent Regulator for NHS Foundation Trusts</b>									
-	-	16,097	16,097	-	16,097	-	-	15,924	13,507
<b>Non-Budget</b>									
A Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts									
-	-	16,097	16,097	-	16,097	-	-	15,924	13,507
<b>Total for Estimate:</b>									
<b>217,680</b>	<b>101,960,568</b>	<b>2,736,515</b>	<b>104,914,763</b>	<b>22,846,014</b>	<b>82,068,749</b>	<b>3,742,085</b>	<b>601,000</b>	<b>75,669,457</b>	<b>72,567,611</b>

## Part II: Resource to cash reconciliation

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Resource Requirement</b>	<b>82,068,749</b>	<b>75,669,457</b>	<b>72,567,611</b>
<b>Voted capital items</b>			
Capital	3,742,085	4,244,669	2,568,456
Less Non-operating A-in-A	601,000	1,835,450	1,582,608
<b>Total net voted capital</b>	<b>3,141,085</b>	<b>2,409,219</b>	<b>985,848</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-703,228	-905,239	-896,283
Depreciation	-1,280,694	-892,058	-701,154
New provisions and adjustments to previous provisions	-3,120,739	-2,996,800	-4,490,848
Profit/loss on sale of assets	-	-	5,544
Prior period adjustments	-	-	-
Other non-cash items	-522	-625	-577
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-60	-594	-259,393
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	1,493,895	1,453,874	1,469,037
<b>Total accruals to cash adjustments</b>	<b>-3,611,348</b>	<b>-3,341,442</b>	<b>-4,873,674</b>
<b>Excess cash to be CFERd</b>	-	-	-
<b>Net Cash Requirement</b>	<b>81,598,486</b>	<b>74,737,234</b>	<b>68,679,785</b>

### Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	<b>£'000</b>					
	<b>2009-10</b>		<b>2008-09</b>		<b>2007-08</b>	
	<b>Provision</b>		<b>Provision</b>		<b>Outturn</b>	
	<b>Income</b>	<i>Receipts</i>	<b>Income</b>	<i>Receipts</i>	<b>Income</b>	<i>Receipts</i>
Operating income not classified as A in A	-	-	339,322	339,322	20,898	20,898
Non-operating income not classified as A in A	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
<b>Total</b>	-	-	<b>339,322</b>	<b>339,322</b>	<b>20,898</b>	<b>20,898</b>

## Forecast Operating Cost Statement

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Administration Costs</b>			
RfR 1	-	-	-
RfR 2	213,765	222,443	225,913
RfR 3	-	-	-
<b>Total Net Administration costs</b>	<b>213,765</b>	<b>222,443</b>	<b>225,913</b>
<b>Net Programme Costs</b>			
RfR 1	78,757,815	72,193,618	68,925,888
RfR 2	3,081,072	3,237,472	3,381,405
RfR 3	16,097	15,924	13,507
Non-voted	-	-339,322	-
<b>Total Net Programme costs</b>	<b>81,854,984</b>	<b>75,107,692</b>	<b>72,320,800</b>
<b>Total Net Operating Cost</b>	<b>82,068,749</b>	<b>75,330,135</b>	<b>72,546,713</b>
<i>of which:</i>			
Net Resource Requirement	82,068,749	75,669,457	72,567,611
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-	-339,322	-20,898
Reduction in planned spend unable to be included in Estimate	-	-	-
<b>Resource Budget</b>	<b>100,770,378</b>	<b>94,228,673</b>	<b>88,807,092</b>

## Notes to the Main Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Resource Requirement (Estimates)</b>	<b>82,068,749</b>	<b>75,669,457</b>	<b>72,567,611</b>
<i>Adjustments to remove:</i>			
Provision voted for earlier years	-	-	-
<i>Adjustments to additionally include:</i>			
Non-voted expenditure in the OCS	-	-	-
Consolidated Fund Extra Receipts in the OCS	-	-339,322	-20,898
Reductions in planned spend unable to be included in Estimate	-	-	-
Other adjustments	-	-	-
<b>Net Operating Cost (Accounts)</b>	<b>82,068,749</b>	<b>75,330,135</b>	<b>72,546,713</b>
<i>Adjustments to remove:</i>			
Gains / losses from sale of capital assets	-	-	5,544
Capital grants	-466,420	-338,330	-360,346
European Union income related to capital grants	-	-	-
Voted expenditure outside the budget	19,816,757	19,805,298	18,391,877
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	339,322	-
Resource consumption of non departmental public bodies	-765,760	-1,420,694	-1,791,010
Unallocated resource provision	103,012	498,902	-
Other adjustments	14,040	14,040	14,314
<b>Resource Budget (Budget)</b>	<b>100,770,378</b>	<b>94,228,673</b>	<b>88,807,092</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	99,763,011	93,681,922	88,258,038
Annually Managed Expenditure (AME)	1,007,367	546,751	549,054

### Reconciliation of capital expenditure between Estimates and Budgets

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Voted Capital (Estimates)</b>	<b>3,141,085</b>	<b>2,409,219</b>	<b>985,848</b>
<i>Adjustments to remove:</i>			
Provision voted for earlier years	-	-	-
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Capital spending by non-departmental public bodies	2,934,349	2,675,592	2,569,312
Capital grants	466,420	338,330	360,346
European Union income related to capital grants	-	-	-
Supported capital expenditure (revenue)	-	-	50,327
Capital spending by levy funded bodies	-	-	-
Unallocated capital provision	-	200,480	-
Reductions in planned spend unable to be included in Estimate	-	-	-
Other adjustments	-969,000	-699,878	-116,418
<b>Capital Budget (Budget)</b>	<b>5,572,854</b>	<b>4,923,743</b>	<b>3,849,415</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	5,572,854	4,909,912	3,812,273
Annually Managed Expenditure (AME)	-	13,831	37,142

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## Notes to the Main Estimate (*continued*)

### Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

**Request for Resources 1:** Mr David Nicholson, NHS Chief Executive

**Request for Resources 2:** Mr Hugh Taylor, Permanent Head

**Request for Resources 3:** Mr Hugh Taylor, Permanent Head

Mr Hugh Taylor, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Mr Hugh Taylor 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* (FReM), 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 the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

## Notes to the Main Estimate (*continued*)

### Analysis of operating appropriations in aid (A in A)

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>RfR 1: Securing health care for those who need it.</b>			
<b>Programme</b>	<b>22,780,535</b>	<b>22,478,546</b>	<b>20,556,416</b>
<i>of which:</i>			
Sale of goods and services	2,953,862	2,643,848	2,139,502
Regulatory licences, fines, penalties and taxes	18,550,757	18,602,298	17,230,732
Interest and dividends	1,275,916	1,232,400	1,186,182
<b>Total RfR 1</b>	<b>22,780,535†</b>	<b>22,478,546</b>	<b>20,556,416</b>

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges for accommodation, income from goods and services to private and NHS patients, local authorities, Ministry of Defence and other bodies; income from income generation schemes; income from local authorities under joint finance arrangements; income from fines and penalty notices; income in respect of medical and dental education levy; income from the licensing of software and NHS logo; income in respect of settlement of legal claims; dividends and interest from loans and investments; income from intellectual property; income of the NHS Business Services Authority; income for research and development;

prescription fraud charges; income from NHS prescription, dental and ophthalmic fraud charges; recoveries from patients in respect of incorrect claims for eligibility for general ophthalmic services; rebates and discounts from manufacturers under the Pharmaceutical Price Regulation Scheme and the Purchasing and Supply Agency arrangements; contributions from employers and employees towards the cost of the NHS; income from social exclusion programmes and Agenda for Change programme;

income from the Scottish Government, the Welsh Assembly Government, Northern Ireland, Channel Islands and Isle of Man for services provided for devolved or reserved work; income from provision of policy and advice to other countries and care trusts; income in connection with the maintenance of the National Joint Registry; income of the Commission for Patient and Public Involvement in Health;

income for prison healthcare including income from the Ministry of Justice; income for substance misuse funding including from the Department of Children, Schools and Families; income from radio communication bandwidth; income secured by counter fraud services from all sources including compensatory elements and refunds; compensation income including the National programme for IT; and payments of interest and dividends on PDC by NHS trusts and NHS foundation trusts.

### RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health

<b>Administration</b>	<b>3,915</b>	<b>4,448</b>	<b>5,472</b>
<i>of which:</i>			
Sale of goods and services	3,915	4,448	5,472
<b>Programme</b>	<b>61,564</b>	<b>95,147</b>	<b>53,581</b>
<i>of which:</i>			
Sale of goods and services	61,563	95,037	53,258
Interest and dividends	1	110	323
<b>Total RfR 2</b>	<b>65,479†</b>	<b>99,595</b>	<b>59,053</b>

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: administration income from seconded officers; cost of legal proceedings; Employment Opportunities Fund programme; staff telephone calls; staff lease cars scheme; European Fast Stream programme; recoveries from other government departments and non-departmental public bodies; income from the NHS, local authorities, and Medicines and Healthcare Products Regulatory Agency for goods and services; staff accommodation; reimbursement of meetings expenses and selling services into wider markets; library income and open government; income from commercial tenants in DH buildings; NHS Purchasing and Supplies Authority income for supplier rebates, seconded and hired officers,

staff telephone calls, access for non-NHS bodies to supply contracts, recharge of meeting expenses, recharge of course and exam expenses, course and event cancellation charges, retention of staff training course deposits, staff lease car scheme and health protection work; licence fees and royalties;

*sales of publications on equipment for the disabled; sale of publications; contributions by members of the public; insurance claims; income by the Human Fertilisation and Embryology Authority, National Biological Standards Board, Health Protection Agency, Health Development Agency, Human Tissue Authority, General Social Care Council, Care quality Commission, income from other European economic area countries for NHS treatment of their residents; sale of subsidised dried milk; income from the European Community; contributions from the mobile phone industry; charitable contributions for developing pilot projects with voluntary organisations; refunds from voluntary organisations;*

*contributions to local authority grant schemes; refunds from communication campaigns contracts and contributions towards the cost of communication campaigns; income from penalty charges; interest and dividend income on trading fund loans; income from the Scottish Government, Welsh Assembly Government, Northern Ireland, Channel Islands and Isle of Man for services provided for devolved or reserved work; income from the European Union for the reimbursement of staff travel expenses and for goods and services.*

<b>Total Operating A in A</b>	<b>22,846,014</b>	<b>22,578,141</b>	<b>20,615,469</b>
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## Analysis of non-operating appropriations in aid (A in A)

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>RfR 1: Securing health care for those who need it.</b>			
<b>Programme</b>	<b>601,000</b>	<b>1,834,450</b>	<b>1,582,608</b>
<i>of which:</i>			
Sale of assets	70,000	108,714	324,027
Loan, etc, repayments	531,000	1,725,736	1,258,581
<b>Total RfR 1</b>	<b>601,000†</b>	<b>1,834,450</b>	<b>1,582,608</b>
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: capital income from the sale of land, buildings, surplus vehicles and equipment, repayments of PDC by NHS trusts and NHS foundation trusts and repayments of principal by NHS trusts and NHS foundation trusts.</i>			
<b>RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health</b>			
<b>Programme</b>	-	1,000	-
<i>of which:</i>			
Loan, etc, repayments	-	1,000	-
<b>Total RfR 2</b>	-	1,000	-
<b>Total Non-Operating A in A</b>	<b>601,000</b>	<b>1,835,450</b>	<b>1,582,608</b>

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**Notes to the Main Estimate (*continued*)**
**Analysis of Consolidated Fund extra receipts****£'000**


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	<b>2009-10</b>		<b>2008-09</b>		<b>2007-08</b>	
	<b>Provision</b>		<b>Provision</b>		<b>Outturn</b>	
	<b>Income</b>	<b>Receipts</b>	<b>Income</b>	<b>Receipts</b>	<b>Income</b>	<b>Receipts</b>
NHS Contributions •	-	-	339,322	339,322	20,898	20,898
<b>Total</b>	<b>-</b>	<b>-</b>	<b>339,322</b>	<b>339,322</b>	<b>20,898</b>	<b>20,898</b>

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## Notes to the Main Estimate (*continued*)

### Departmental Expenditure Limits and Administration budgets

	£'000		
	Voted	Non-voted	Total
Resource DEL	100,548,589	-785,578	99,763,011
<i>of which: †</i>			
Administration budget	213,765	-	213,765
Near-cash in RDEL	95,808,320	504,142	96,312,462
Capital DEL ††	2,638,505	2,934,349	5,572,854
Less Depreciation †††	-933,003	-67,744	-1,000,747
Total DEL	102,254,091	2,081,027	104,335,118

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

### Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2009-10 of £82,068,749,000 is 8.5 per cent higher than the final net provision for 2008-09 of £75,669,457,000 and 9.5 per cent higher than the forecast outturn for 2008-09 of £74,922,089,000.

### Cash which may be retained to offset expenditure

	£'000		
	2009-10 Provision	2008-09 Provision	2007-08 Outturn
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	23,447,014	24,413,591	22,198,077

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**Notes to the Main Estimate (*continued*)****Expenditure resting on the sole authority of the Appropriation Act**

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

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<b>RfR/Section</b>	<b>Service</b>	<b>£'000</b>
RfR1/A	Grants to voluntary organisations to expand opportunities for unemployed people to participate in voluntary work.	7,081

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## **Notes to the Main Estimate (*continued*)**

### **Expenditure in the form of adjustable advances**

RfR2 Sections G to P contain certain grants to local authorities including services such as for people with HIV infection and AIDS, area based grants covering a range of services including services for people with a mental illness, support for carers and initiatives to promote the independence of people living in the community. Capital support such as improving information technology, adult social care and mental health. Advances to local authorities for personal social services specific and special grants are charged to the Estimate at the time of issue and as final grant expenditure is not known until local authorities' accounts are audited after the end of the financial year, any necessary adjustments may be made in subsequent advances.

## Notes to the Main Estimate (*continued*)

### Grants in aid

RfR/Section	Body	£'000
RfR1 /H	NHS Blood and Transplant.♥	87,659
RfR1 /H	Council for Healthcare Regulatory Excellence. ♥	1,994
RfR1 /H	Post Graduate Medical Education Training Board.♥	1,535
RfR1 /H	NHS Professionals ♥	4,637
RfR1 /H	NHS Appointments Commission ♥	4,310
RfR2/Q	Health Protection Agency.♥	218,423
RfR2/Q	Human Fertilisation and Embryology Authority/ Human Tissue Authority♥	4,205
RfR2/Q	General Social Care Council.♥	30,579
RfR2/Q	Care Quality Commission ♥	146,000
RfR3/A	Office of the Independent Regulator for NHS foundation trusts.♥	16,097

### International Subscriptions

RfR/Section	Body	£'000
RfR2/ C	The UK subscription to the World Health Organisation.	17,446

## Notes to the Main Estimate (*continued*)

### Contingent liabilities

Nature of Liability	£'000
RfR1	
Statutory contingent liabilities exists to meet:	
i) an indemnity to water undertakers in respect of costs, damages, and expenses not otherwise covered by insurance arising from claims or proceedings on the grounds of alleged harm to health arising solely from fluoridation; and	Unquantifiable
ii) overdraft guarantees for NHS trusts	Nil
Non-statutory contingent liabilities	
i) the Department has undertaken to meet the legal and other costs of medical and nursing staff engaged on clinical trials approved by the National Blood Authority (NBA) of new blood products manufactured by the Bio-Products Laboratory, a part of the NBA, and the costs of any claims for damages from patients arising from clinical trials of the new products (NBA is now part of NHS Blood and Transplant);	Unquantifiable
ii) an indemnity to water undertakers in respect of costs, damages and expenses not otherwise covered by insurance arising from claims or proceedings on the grounds of alleged harm to health arising solely from supplying water which has been fluoridated by another water undertaker and which therefore is not covered by the statutory guarantee;	Unquantifiable
iii) in the event of a nuclear emergency it would be necessary to distribute stable iodine tablets to the general public to prevent take up of radioactive iodine. The Department has undertaken to indemnify those other than qualified medical personnel distributing the tablets against any action resulting from adverse reactions; and	Unquantifiable
iv) the Department has given an undertaking to pay legal or other costs of any damage claims arising from infections contracted by foreign nationals through contaminated blood products. These claims, should they arise, would result from a contract between the Bio-Products Laboratory (part of the National Blood Authority) and the Canadian company Haemacure for the manufacture of a plasma-based fibrin sealant product. The product would be sold exclusively in the USA.	Unquantifiable
v) indemnity into the side effects arising from the use of smallpox vaccine.	£90 million
vi) Associated health costs with the Olympics in 2012	£5 million

## Statutory contingent liabilities:

- |                                                                                                                                                                                                                                                                                                       |                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| i) the Department has issued an exemption certificate to the National Radiological Protection Board in respect of any liability to its employees of the kind mentioned in section (1) of the Employers' Liability (Compulsory Insurance) Act 1969 (NRPB is now part of Health Protection Agency); and | Unquantifiable |
| ii) the Department has issued an exemption certificate to the National Biological Standards Board in respect of any liability to its employees of the kind mentioned in section (1) of the Employers' Liability (Compulsory Insurance) Act 1969.                                                      | Unquantifiable |

## Non-statutory contingent liabilities:

- |                                                                                                                                                                                                                                                                                                              |                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| i) the Department has undertaken to meet the cost of compensation payments arising from claims for injury arising from the immunisation of voluntary donors with specialised immunoglobulin subsequently harvested and used in the treatment of new-born babies;                                             | Unquantifiable |
| ii) an indemnity for members of the independent inquiry into the backlog of histopathology samples at the Royal National Orthopaedic Hospital NHS Trust. The Department has given an undertaking to grant an indemnity in relation to any legal action against the chairman and members of the inquiry team; | Unquantifiable |
| iii) Indemnity for the Royal College of Physicians (RCP) review of Breakspear Hospital. The Department has given an undertaking to grant an indemnity to any legal action against the members of the review team.                                                                                            | Unquantifiable |
| iv) To cover any damages arising from NBA research activity. NBA is now NHS Blood and Transplant.                                                                                                                                                                                                            | Unquantifiable |
| v) Indemnity for the QC conducting the alternative disputes resolution procedure into complaints raised against the NHS. The department has given an undertaking to grant an indemnity in relation to any legal action against the QC conducting the procedure.                                              | Unquantifiable |

