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# Security and Intelligence Agencies

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## Introduction

1. This Estimate provides for all the administration costs and other expenditure of GCHQ, the Secret Intelligence Services (SIS) and the Security Service (SS).
2. Symbols are explained in the Introduction to this booklet

# Security and Intelligence Agencies

## Part I

	£
<b>Request for Resources 1: Protecting and promoting the national security and economic well being of the UK</b>	<b>1,857,861,000</b>
<b>Total net resource requirement</b>	<b>1,857,861,000</b>
<b>Net cash requirement</b>	<b>1,834,782,000</b>

Amounts required in the year ending 31 March 2010 for expenditure by the Security and Intelligence Agencies on:

### RfR 1: Protecting and promoting the national security and economic well being of the UK

Administration and operational costs, research and development works, equipment and other payments, and associated non-cash items.

The **Security and Intelligence Agencies** will account for this Estimate.

	£		
	Net total	Allocated in Vote on Account	Balance to complete
<b>RfR 1</b>	<b>1,857,861,000</b>	<b>771,480,000</b>	<b>1,086,381,000</b>
<b>Total net resource requirement</b>	<b>1,857,861,000</b>	<b>771,480,000</b>	<b>1,086,381,000</b>
<b>Net cash requirement</b>	<b>1,834,782,000</b>	<b>778,403,000</b>	<b>1,056,379,000</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		
1	2	3	4	5	6	7	8	9	10
<b>RfR 1: Protecting and promoting the national security and economic well being of the UK</b>									
93,858	1,832,372	-	1,926,230	68,369	1,857,861	330,560	60	1,735,565	1,479,906
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<i>Central Government spending</i>									
A	Security and Intelligence Agencies								
93,858	1,825,872	-	1,919,730	68,369	1,851,361	330,560	60	1,720,065	1,428,616
<b>Spending in Annually Managed Expenditure (AME)</b>									
<i>Central Government spending</i>									
B	Impairments								
-	6,500	-	6,500	-	6,500	-	-	15,500	51,290
<b>Total for Estimate:</b>									
93,858	1,832,372	-	1,926,230	68,369	1,857,861	330,560	60	1,735,565	1,479,906

## Part II: Resource to cash reconciliation

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Resource Requirement</b>	<b>1,857,861</b>	<b>1,735,565</b>	<b>1,479,906</b>
<b>Voted capital items</b>			
Capital	330,560	363,753	297,116
Less Non-operating A-in-A	60	2,398	10,549
<b>Total net voted capital</b>	<b>330,500</b>	<b>361,355</b>	<b>286,567</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-6,350	-5,905	-45,601
Depreciation	-283,350	-243,942	-190,115
New provisions and adjustments to previous provisions	-8,110	-13,735	-
Profit/loss on sale of assets	-	-	-1,885
Prior period adjustments	-	-	-
Other non-cash items	-55,829	-50,053	-3,010
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	60	76,562	18,274
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	130	-
<b>Total accruals to cash adjustments</b>	<b>-353,579</b>	<b>-236,943</b>	<b>-222,337</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cash Requirement</b>	<b>1,834,782</b>	<b>1,859,977</b>	<b>1,544,136</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>Income</b>	<b><i>Receipts</i></b>	<b>Income</b>	<b><i>Receipts</i></b>	<b>Income</b>	<b><i>Receipts</i></b>
Operating income not classified as A in A	-	-	-	-	1,518	<i>3,250</i>
Non-operating income not classified as A in A	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	1,373	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	<b>2,891</b>	<b><i>3,250</i></b>

## Forecast Operating Cost Statement

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Administration Costs</b>			
RfR 1	84,500	85,100	81,298
<b>Total Net Administration costs</b>	<b>84,500</b>	<b>85,100</b>	<b>81,298</b>
<b>Net Programme Costs</b>			
RfR 1	1,773,361	1,612,365	1,398,608
Non-voted	-	-	-1,518
<b>Total Net Programme costs</b>	<b>1,773,361</b>	<b>1,612,365</b>	<b>1,397,090</b>
<b>Total Net Operating Cost</b>	<b>1,857,861</b>	<b>1,697,465</b>	<b>1,478,388</b>
<i>of which:</i>			
Net Resource Requirement	1,857,861	1,735,565	1,479,906
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-	-	-1,518
Reduction in planned spend unable to be included in Estimate	-	-38,100	-
<b>Resource Budget</b>	<b>1,873,861</b>	<b>1,735,565</b>	<b>1,478,021</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>1,857,861</b>	<b>1,735,565</b>	<b>1,479,906</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	-	-	-1,518
Reductions in planned spend unable to be included in Estimate	-	-38,100	-
Other adjustments	-	-	-
<b>Net Operating Cost (Accounts)</b>	<b>1,857,861</b>	<b>1,697,465</b>	<b>1,478,388</b>
<i>Adjustments to remove:</i>			
Gains / losses from sale of capital assets	-	-	-1,885
Capital grants	-	-	-
European Union income related to capital grants	-	-	-
Voted expenditure outside the budget	-	-	-
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	1,518
Resource consumption of non departmental public bodies	-	-	-
Unallocated resource provision	16,000	-	-
Other adjustments	-	-	-
<b>Resource Budget (Budget)</b>	<b>1,873,861</b>	<b>1,697,465</b>	<b>1,478,021</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	1,867,361	1,681,965	1,426,731
Annually Managed Expenditure (AME)	6,500	15,500	51,290

### 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>330,500</b>	<b>361,355</b>	<b>286,567</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	-	-	-
Capital grants	-	-	-
European Union income related to capital grants	-	-	-
Supported capital expenditure (revenue)	-	-	-
Capital spending by levy funded bodies	-	-	-
Unallocated capital provision	7,500	-	-
Reductions in planned spend unable to be included in Estimate	-	-	-
Other adjustments	-	-	-
<b>Capital Budget (Budget)</b>	<b>338,000</b>	<b>361,355</b>	<b>286,567</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	338,000	361,355	286,567
Annually Managed Expenditure (AME)	-	-	-

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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:** Sir Gus O'Donnell

Sir Gus O'Donnell, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Sir Gus O'Donnell 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 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: Protecting and promoting the national security and economic well being of the UK</b>			
<b>Administration</b>	9,358	9,270	58,502
<i>of which:</i>			
Sale of goods and services	9,358	9,270	58,502
<b>Programme</b>	59,011	84,142	25,746
<i>of which:</i>			
Sale of goods and services	59,011	84,142	25,746
<b>Total RfR 1</b>	<b>68,369†</b>	<b>93,412</b>	<b>84,248</b>
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sales of services to other government departments, the recovery of costs of staff on loan, recovery from staff for miscellaneous items and certain other services.</i>			
<b>Total Operating A in A</b>	<b>68,369</b>	<b>93,412</b>	<b>84,248</b>

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

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>RfR 1: Protecting and promoting the national security and economic well being of the UK</b>			
<b>Programme</b>	60	2,398	10,549
<i>of which:</i>			
Sale of assets	60	2,398	10,549
<b>Total RfR 1</b>	<b>60†</b>	<b>2,398</b>	<b>10,549</b>
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of fixed assets and from the sale of freehold interest and land.</i>			
<b>Total Non-Operating A in A</b>	<b>60</b>	<b>2,398</b>	<b>10,549</b>

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

£'000

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	2009-10 Provision		2008-09 Provision		2007-08 Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Excess income $\Phi$	-	-	-	-	1,518	3,250
Miscellaneous receipts $\bullet$	-	-	-	-	1,373	-
<b>Total</b>	-	-	-	-	<b>2,891</b>	<b>3,250</b>

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

### Departmental Expenditure Limits and Administration budgets

	£'000		
	Voted	Non-voted	Total
Resource DEL	1,851,361	16,000	1,867,361
<i>of which: †</i>			
Administration budget	84,500	500	85,000
Near-cash in RDEL	1,504,222	16,000	1,520,222
Capital DEL ††	330,500	7,500	338,000
Less Depreciation †††	-276,850	-	-276,850
Total DEL	1,905,011	23,500	1,928,511

† 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 £1,857,861,000 is 7.0 per cent higher than the final net provision for 2008-09 of £1,735,565,000 and 13.6 per cent higher than the forecast outturn for 2008-09 of £1,635,692,000.

### 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.	68,429	95,810	94,797

