
Department for Innovation, Universities and Skills †

Introduction

1. This Estimate consists of two Request for Resources.

RfR1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.

RfR2: Increasing Scientific excellence in the UK and maximising its contribution to society.

2. The Estimate covers expenditure on functions relating to higher education, skills and training, and the promotion of scientific excellence. Further details will be given in the Department for Innovation, Universities and Skills annual report.

3. Symbols are explained in the Introduction to this booklet.

† On 5 June 2009 the merger of the Department for Innovation, Universities and Skills (DIUS) with the Department for Business, Enterprise and Regulatory Reform (BERR) was announced. The new department will be known as the Department for Business, Innovation and Skills. It is not possible to reflect the merger in the Main Estimates and a Supplementary Estimate, reflecting the new department, will be presented to Parliament later in the year.

Department for Innovation, Universities and Skills

Part I

	£
Request for Resources 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.†	15,871,729,000
Request for Resources 2: Increasing Scientific excellence in the UK and maximising its contribution to society.	3,584,149,000
Total net resource requirement	19,455,878,000
Net cash requirement	22,056,816,000

Amounts required in the year ending 31 March 2010 for expenditure by the Department for Innovation, Universities and Skills on:

RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.

Further, higher and other education provision and initiatives for young people and adults; research and related initiatives at institutions delivering higher education; training, skills, enterprise, assessment and advice and guidance provision for young people, adults and employers and related initiatives; financial and other support for students and trainees, including grants, allowances, access funds, loans and their repayment, the resource consequences of loans to students, support for students through Local Authorities; the cost of sales of the student loan debt, reimbursement of fees for qualifying European Community students, post graduate awards, mandatory student awards, education maintenance allowances and childcare and transport support; loans and residual costs of the winding up of the Training and Enterprise Councils (TECs); the distribution of residual TEC assets, returned to the Secretary of State under the terms of the TEC licence;

investments and loans to support PFI; initiatives and programmes supported by the European Union; international programmes, including payments to the Department for Work and Pensions for the UK subscription to the International Labour Organisation and other international programmes; initiatives to support, improve and promote education, training, skills and student and trainee support; payments to the Department for Business, Enterprise and Regulatory Reform in connection with the Regional Development Agencies and the London Development Agency; grants in aid and funding for the Higher Education Funding Council for England; the Learning and Skills Council, Investors in People UK, the Student Loans Company, Office for Fair Access, the Quality Improvement Agency, the Learning and Skills Improvement Service, Sector Skills Development Agency, the UK Commission for Employment and Skills, the Technology Strategy Board, innovation and standards, the Design Council and the British Standards Institute; activities of the new funding agencies for young people and adult provision; funding for the Construction Industry Training Board, Engineering Construction Industry Training Board and Film Industry Training Board; UK Intellectual Property Office; National Endowment for Science, Technology and the Arts; National Weights and Measures including the National Measurement Office; UK Accreditation Service; Information and publicity initiatives and services;

departmental and others' costs of administering the above, including payments to the Department for Children, Schools and Families; and income relating to the above. Expenditure covers cash, near-cash, capital and non-cash items. Expenditure covers payments, grants and loans to organisations in the public, private and other sectors, including employers, community, voluntary and business support organisations, to individuals and other government departments. Expenditure relates primarily to England, but in some cases includes supporting activities in other parts of the United Kingdom and abroad.

RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society.

Research Councils; the Royal Society; the Royal Academy of Engineering; the British Academy; Research Base Initiatives; the Science Research Investment Fund; the Research Capital Investment Fund; promotion of Science in Society; Knowledge Transfer initiatives including the Higher Education Innovation Fund and Public Sector Research Establishments grants; fees payable under the Animals (Scientific Procedures) Act 1986; Research Council pensions; capital and administration costs of the Research Base Group and Government Office for Science; and associated non-cash items.

The **Department for Innovation, Universities and Skills** will account for this Estimate.

	Net total	Allocated in Vote on Account	Balance to complete
RfR 1	15,871,729,000	6,612,779,000	9,258,950,000
RfR 2	3,584,149,000	1,710,981,000	1,873,168,000
Total net resource requirement	19,455,878,000	8,323,760,000	11,132,118,000
Net cash requirement	22,056,816,000	9,451,790,000	12,605,026,000

† Part of the provision under subhead D2 in RfR 1 is subject to the passage of the Apprenticeships, Skills, Children and Learning Bill, which has passed the second reading in the House of Commons. The provision sought (£175,000) will not be used for the service or for any other purpose until the enabling legislation has been enacted.

£77,000 has been advanced from the Contingencies Fund to provide cash in respect of the new service. A corresponding amount is required to enable repayment to be made to the Fund.

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	Resources	Resources
1	2	3	4	5	6	7	8	9	10
RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.									
70,899	1,042,582	23,279,000	24,392,481	8,520,752	15,871,729	6,146,788	1,324,226	15,195,661	14,310,347
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Activities to Support all Functions								
70,899	7,006	1,010	78,915	28	78,887	2,166	-	86,893	66,251
B	Higher Education								
-	53,006	83,376	136,382	2,209	134,173	-	-	176,895	87,731
C	Higher Education Support for Students								
-	-	2,488,053	2,488,053	-	2,488,053	-	-	2,337,259	2,017,586
D	Further Education, Skills and International Programmes								
-	41,542	350,566	392,108	36,079	356,029	-	-	313,520	204,199
E	Further Education Receipts from DCSF								
-	-	-	-	7,565,424	-7,565,424	-	-	-7,387,596	-7,052,258
F	Science, Innovation and Knowledge Transfer								
-	70,498	7,989	78,487	3,159	75,328	12,131	166	141,887	136,708
<i>Support for Local Authorities</i>									
<i>Science, Innovation and Knowledge Transfer</i>									
-	-	-	-	-	-	-	-	-	4,191
<i>Higher Education</i>									
-	-	-	-	-	-	-	-	2,000	340
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
G	Loans to Students								
-	870,530	43,323	913,853	913,853	-	6,132,491	1,324,060	-	-21,152
Non-Budget									
H	Higher Education Funding Council for England								
-	-	7,524,065	7,524,065	-	7,524,065	-	-	7,170,553	6,910,003
I	Office for Fair Access								
-	-	476	476	-	476	-	-	514	413
J	Student Loans Company								
-	-	53,034	53,034	-	53,034	-	-	63,822	48,426

Part II: Subhead detail**£'000**

								2008-09	2007-08		
								Provision	Outturn		
								2009-10			
								Provision			
								Resources	Capital	Net Total	Net Total
								Capital	Non-	Resources	Resources
								Capital	operating	Resources	Resources
								Capital	A in A	Resources	Resources
Admin	Other	Grants	Gross Total	A in A	Net Total	Capital	Non-	Net Total	Net Total		
1	Current	3	4	5	6	7	operating	9	10		
	2						A in A				
							8				
K	Investors in People UK	-	4,887	4,887	-	4,887	-	4,677	5,773		
L	Learning and Skills Council	-	12,320,693	12,320,693	-	12,320,693	-	11,945,015	11,167,929		
M	UK Commission for Employment and Skills	-	66,967	66,967	-	66,967	-	79,889	83,875		
N	Quality Improvement Agency	-	276	276	-	276	-	18,740	109,764		
O	Design Council	-	6,185	6,185	-	6,185	-	7,093	6,069		
P	Knowledge Transfer and Innovation	-	500	500	-	500	-	-	-		
Q	Technology Strategy Board	-	327,600	327,600	-	327,600	-	234,500	150,000		
	<i>Support for Students</i>	-	-	-	-	-	-	-	384,499		
	RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society.	-	42,843	3,542,306	3,585,149	1,000	3,584,149	3,803,436	3,168,964		
	Spending in Departmental Expenditure Limits (DEL)										
	<i>Central Government spending</i>										
A	Royal Society	-	45,823	45,823	-	45,823	-	43,360	41,072		
B	Royal Academy of Engineering	-	12,138	12,138	-	12,138	-	10,279	9,752		
C	British Academy	-	25,062	25,062	-	25,062	-	22,540	22,585		
D	RB Initiatives	-	5,778	5,778	-	5,778	-	4,766	5,024		
E	Science and Society	-	15,441	15,441	-	15,441	-	13,441	11,071		
F	Economic Impact	-	12,500	12,500	-	12,500	-	11,800	11,904		
G	Research Capital Investment Fund	-	48,676	48,676	-	48,676	-	38,750	83,438		

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	
H	Biotechnology and Biological Sciences Research Council									
	-	-	-	-	1,000	-1,000	-	-	-5,900	-6,537
	<i>Science and Engineering Base Administration Costs</i>									
	-	-	-	-	-	-	-	-	-	4,056
	<i>Transdepartmental Science and Technology Group Administration Costs</i>									
	-	-	-	-	-	-	-	-	-	5,585
Spending in Annually Managed Expenditure (AME)										
Central Government spending										
I	Research Councils Pension Scheme									
	-	42,543	-	42,543	-	42,543	-	-	80,000	27,400
Non-Budget										
J	Arts and Humanities Research Council									
	-	-	102,478	102,478	-	102,478	-	-	122,000	104,343
K	Biotechnology and Biological Sciences Research Council									
	-	-	438,345	438,345	-	438,345	-	-	432,500	393,530
L	Economic and Social Research Council									
	-	-	174,549	174,549	-	174,549	-	-	157,500	135,018
M	Engineering and Physical Sciences Research Council									
	-	-	799,094	799,094	-	799,094	-	-	815,000	739,499
N	Medical Research Council									
	-	-	659,577	659,577	-	659,577	-	-	703,000	304,915
O	Natural Environment Research Council									
	-	-	354,423	354,423	-	354,423	-	-	420,000	353,555
P	Science and Technology Facilities Council									
	-	-	533,238	533,238	-	533,238	-	-	642,000	558,888
Q	Fees Payable under the Animals (Scientific Procedures) Act 1986									
	-	300	-	300	-	300	-	-	400	236
R	Higher Education Funding Council for England									
	-	-	315,184	315,184	-	315,184	-	-	292,000	363,630
Total for Estimate:										
	70,899	1,085,425	26,821,306	27,977,630	8,521,752	19,455,878	6,146,788	1,324,226	18,999,097	17,479,311

Part II: Resource to cash reconciliation

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
Net Resource Requirement	19,455,878	18,999,097	17,479,311
Voted capital items			
Capital	6,146,788	5,930,477	4,685,827
Less Non-operating A-in-A	1,324,226	1,160,416	638,082
Total net voted capital	4,822,562	4,770,061	4,047,745
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-878,338	-1,073,454	-794,733
Depreciation	-5,112	-69,796	-4,369
New provisions and adjustments to previous provisions	-1,375,074	-1,162,144	-1,292,273
Profit/loss on sale of assets	-	-	-10
Prior period adjustments	-	-	-
Other non-cash items	-250	-635	-618
Increase (+) / Decrease (-) in stock	-	-	-573
Increase (+) / Decrease (-) in debtors	-	-	29,890
Increase (-) / Decrease (+) in creditors	-	-	-100,215
Use of provisions	37,150	39,772	35,390
Total accruals to cash adjustments	-2,221,624	-2,266,257	-2,127,511
Excess cash to be CFERd	-	-	-
Net Cash Requirement	22,056,816	21,502,901	19,399,545

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):

	£'000					
	2009-10		2008-09		2007-08	
	Provision		Provision		Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-	95,955	<i>95,808</i>
Non-operating income not classified as A in A	-	-	-	-	197,672	<i>192,594</i>
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	-	<i>433,000</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
Total	-	-	-	-	293,627	<i>721,402</i>

Forecast Operating Cost Statement

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
Net Administration Costs			
RfR 1	70,899	77,800	60,308
RfR 2	-	-	9,641
Total Net Administration costs	70,899	77,800	69,949
Net Programme Costs			
RfR 1	15,800,830	15,117,861	14,250,039
RfR 2	3,584,149	3,803,436	3,159,323
Non-voted	-	-	-95,955
Total Net Programme costs	19,384,979	18,921,297	17,313,407
Total Net Operating Cost	19,455,878	18,999,097	17,383,356
<i>of which:</i>			
Net Resource Requirement	19,455,878	18,999,097	17,479,311
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-	-	-95,955
Reduction in planned spend unable to be included in Estimate	-	-	-
Resource Budget	17,447,645	16,950,944	15,637,737

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
Net Resource Requirement (Estimates)	19,455,878	18,999,097	17,479,311
<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	-	-	-95,955
Reductions in planned spend unable to be included in Estimate	-	-	-
Other adjustments	-	-	-
Net Operating Cost (Accounts)	19,455,878	18,999,097	17,383,356
<i>Adjustments to remove:</i>			
Gains / losses from sale of capital assets	-	-	-10
Capital grants	-60,676	-41,050	-84,667
European Union income related to capital grants	-	-	-
Voted expenditure outside the budget	-800	-966	-384,735
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	92,830
Resource consumption of non departmental public bodies	-2,017,224	-2,006,137	-1,369,037
Unallocated resource provision	70,467	-	-
Other adjustments	-	-	-
Resource Budget (Budget)	17,447,645	16,950,944	15,637,737
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	17,224,490	16,671,212	15,459,343
Annually Managed Expenditure (AME)	223,155	279,732	178,394

Reconciliation of capital expenditure between Estimates and Budgets

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
Net Voted Capital (Estimates)	4,822,562	4,770,061	4,047,745
<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	2,401,775	2,074,094	1,961,121
Capital grants	60,676	41,050	84,667
European Union income related to capital grants	-	-	-
Supported capital expenditure (revenue)	-	-	-
Capital spending by levy funded bodies	-	-	-
Unallocated capital provision	175,840	-	-
Reductions in planned spend unable to be included in Estimate	-	-	-
Other adjustments	-	-	-
Capital Budget (Budget)	7,460,853	6,885,205	6,093,533
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	2,647,108	2,121,968	2,059,304
Annually Managed Expenditure (AME)	4,813,745	4,763,237	4,034,229

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 Jon Shortridge, Permanent Head of the Department

Request for Resources 2: Sir Jon Shortridge, Permanent Head of the Department

Sir Jon Shortridge, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Sir Jon Shortridge 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
RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.			
Administration	-	200	6,874
<i>of which:</i>			
Sale of goods and services	-	200	6,874
Programme	8,520,752	8,616,489	8,155,572
<i>of which:</i>			
Sale of goods and services	2,207	36,454	50,647
EU Income	109	1,796	197
Other grant income (including repayments of grants/subsidies)	5,503,867	5,302,685	5,018,873
Interest and dividends	917,012	1,106,116	764,517
Other income (including receipts)	2,097,557	2,169,438	2,321,338
Total RfR 1	8,520,752†	8,616,689	8,162,446
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: European Fast Stream receipts; repayment of career development loans; repayments of working capital loans; receipts in respect of Career Development Loans default recoveries by banks; receipts from the sale of surplus properties; receipts from outside organisations (including the EC) in respect of advertising and publicity activities and materials; sale of research publications; receipts from the European Social Fund to cover departmental programmes; receipts covering the return of assets from the Training and Enterprise Councils (TECs) as part of their winding-up process; receipts from the wind-down of Individual Learning Accounts; receipts from the Department for Children, Schools and Families for 14-19 programmes; receipts for student support; profits on the sale of surplus equipment and other assets; Sponsorship Funding; rent income from three domestic properties on the estate of the European School of Culture at Culham, Oxfordshire; contributions from the National Assembly for Wales towards Key Skills; receipts to support the UK Commission for Employment and Skills; contributions from the National Assembly for Wales and the Scottish Executive for dance and drama students; contributions from the Scottish Executive, the National Assembly for Wales, the Northern Ireland Executive and others towards miscellaneous European Education, International Programmes and the UK Prime Minister Initiative; contributions from other government departments and other sources towards the cost of promoting UK education and training overseas; London Challenge receipts; receipts from the Department of Health for Investors in People healthy organisations; Student loan interest receivable. Further and Higher education receipts from the Department for Children, Schools and Families; receipts from the Home Office for offender education; receipts from the Department for Communities and Local Government for Faith Leader project; student support receipts; receipts to support Government Skills, the FE Improvement programme, the Skills for Life Programme and the Learning and Skills Improvement Service; rental income from the National Physical Laboratory; receipts from the Department of Health for the Aimhigher programme; receipts of dividends and interest on loans from the Patent Office.</p>			
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society.			
Administration	-	-	72
<i>of which:</i>			
Sale of goods and services	-	-	72
Programme	1,000	5,900	6,537
<i>of which:</i>			
Other grant income (including repayments of grants/subsidies)	1,000	5,900	6,537
Total RfR 2	1,000†	5,900	6,609
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Receipts for employees' and employers' contributions and transfer values received and contributions towards the Institute of Animal Health.</p>			
Total Operating A in A	8,521,752	8,622,589	8,169,055

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

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.			
Programme	1,324,226	1,160,416	638,082
<i>of which:</i>			
Loan, etc, repayments	1,324,226	1,160,416	638,082
Total RfR 1	1,324,226†	1,160,416	638,082
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: Repayment of principal on student loans; and from the sale of surplus land, buildings and equipment. Repayment of loans from the Patent Office.</i>			
Total Non-Operating A in A	1,324,226	1,160,416	638,082

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

£'000

	2009-10		2008-09		2007-08	
	Income	Receipts	Income	Receipts	Income	Receipts
Receipt of dividend from Patent Office Executive Agency trading fund Φ	-	-	-	-	2,953	2,953
Interest on Loans advanced by the S of S to the Patent Office Executive Agency trading fund Φ	-	-	-	-	172	172
Student Loan Interest Receipts ●	-	-	-	-	197,672	192,594
Medical Research Council ●	-	-	-	-	92,830	92,683
Research Councils Pensions Contributions from Scottish Executive Δ	-	-	-	-	-	433,000
Total	-	-	-	-	293,627	721,402

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

	£'000		
	Voted	Non-voted	Total
Resource DEL	-4,118,212	21,342,702	17,224,490
<i>of which: †</i>			
Administration budget	70,899	-	70,899
Near-cash in RDEL	-5,463,133	21,157,240	15,694,107
Capital DEL ††	-136,193	2,783,301	2,647,108
Less Depreciation †††	-5,112	-158,263	-163,375
Total DEL	-4,259,517	23,967,740	19,708,223

† 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 £19,455,878,000 is 2.4 per cent higher than the final net provision for 2008-09 of £18,999,097,000 and 4.1 per cent higher than the forecast outturn for 2008-09 of £18,687,759,000.

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.	9,845,978	9,783,005	8,807,137

Notes to the Main Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RFR1-H	Higher Education Funding Council for England ♥	7,524,065
RfR1- I	Office for Fair Access ♥	476
RfR1- J	Student Loans Company ♦	53,034
RfR1- K	Investors in People UK ♥	4,887
RfR1- L	Learning and Skills Council ♥	12,320,693
RFR1-M	UK Commission for Employment and Skills ♥	66,967
RfR1- N	Quality Improvement Agency ♥	276
RfR1- O	Design Council ♦	6,185
RfR1- Q	Technology Strategy Board ♥	327,600
	Total	20,304,183
RfR2- J	Arts and Humanities Research Council ♥	102,478
RfR2- K	Biotechnology and Biological Sciences Research Council ♥	438,345
RfR2- L	Economic and Social Research Council ♥	174,549
RfR2- M	Engineering and Physical Sciences Research Council ♥	799,094
RfR2- N	Medical Research Council ♥	659,577
RfR2- O	Natural Environment Research Council ♥	354,423
RfR2- P	Science and Technology Facilities Council ♥	533,238
RfR2- R	Higher Education Funding Council for England ♥	315,184
	Total	3,376,888

Notes to the Main Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
As at 31 March 2008 the following liabilities fell to be met from the Department's Estimate:	
Statutory	
The Department will meet the accrued Civil Service redundancy entitlement to date of secondees who resigned from the Department to take up Training and Enterprise (TEC) employment on or after 1 January 1993 in TECs in England and Wales if:	2,453
a) Their TEC makes them redundant due to direct government action during their first five years of employment;	
b) A court or tribunal ever ruled that TEC and civil service employment were continuous for redundancy calculation purposes.	
The Department has and will continue to give indemnities to Training and Enterprise Councils (TECs), Chamber of Commerce, Training and Enterprise Councils (CTEs), their representative TEC bodies and those concerned with the wind up, transfer or continuation of TEC delivered activity, where this will facilitate the conclusion of the working and contractual relationship between TECs, CTEs and Government, thereby ensuring the continuation of essential discretionary activity and the reserves owing to the Secretary of State at the earliest opportunity. The indemnities will include:	
a) Liabilities that arise from the audit work carried out in respect of the delivery of activities funded through European Union initiatives or through single Regeneration Budget and other schemes sponsored by Government Departments other than the former DfES and DTI;	27,984
b) Liabilities that arise from the transfer of TEC/CTE functions to successors, including from staff who have transferred or been made redundant, and who as a result of the transfer seek redress through the Employment Tribunal;	1,000
c) Liabilities arising from properties leased by TECs/CTEs that they have been unable to dispose of by the time they wind up. The Department may take over these leases and dispose of them on behalf of the TECs/CTEs.	4,400
In order to ensure that the Croydon Local Learning and Skills Council (LLSC) commenced operations in April 2001 and because no suitable training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CTE) property exists in the Croydon LLSC area an indemnity to give a landlord a guarantee that, in the event of the LSC ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LSC is an unknown body with no financial history.	3,622
In order to ensure that the Learning and Skills Council (LSC) commenced operations in April 2001 and because no suitable training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CTE) property exists in the Brighton, Manchester or Coventry area an indemnity to give landlords a guarantee that, in the event of the LSC ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LSC is an unknown body with no financial history.	27,798
Arrangement to allow the appointment of a receiver to manage the affairs of Merseyside Training and Enterprise Council (MTEC).	2,000

Arrangement to allow the appointment of a receiver at any TEC we believe necessary.	6,000
In order to ensure that the Kempston Local Learning and Skills Council (LLSC) commenced its operations on time, and because there was no suitable Training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CCTE) property in the Kempston LLSC area, and because the LSC was an unknown body to the landlord with no financial history the landlord required the Secretary of State to act as guarantor. In the event of the LSC ceasing to exist, the Secretary of State will be required to take over responsibilities under the lease.	242
Potential liability relating to European Schools Programme for teachers claiming permanency under the fixed term employee regulations who may claim redress through the Employment Tribunal.	1,120
European Patent Office (EPO): the UK as one of the contracting states has a potential liability under Article 40 of the European Patent Convention of 1973.	Unquantifiable
World Intellectual Property Organisation: the UK, as a contracting state to the Patent Co-operation Treaty of 1970, has a potential liability under Article 57 of the Treaty.	Unquantifiable
A possible liability to meet outstanding unforeseen claims against the Design Council Pension Scheme, whereby no reimbursement from other parties is available to cover such cost.	Unquantifiable
Liabilities relating to the issue of licences to operators of satellites and other space objects.	Unquantifiable
DIUS has an outstanding legal claim for an early termination of a service contract delivering best practice and monitoring services to a third party.	Unquantifiable

Notes to the Main Estimate (*continued*)
International Subscriptions

RfR/Section	Body	£'000
RfR1 - B	European University Institute subscriptions	2,719
RfR1 - D	The Estimate includes provision to reimburse the Department for Work and Pensions for payments made by the Joint International Unit for International Education Programmes and the annual subscription of the International Labour Organisation	12,786
