
Department for International Development

Introduction

1. This Estimate covers expenditure by the Department for International Development (DFID) on: the United Kingdom's international development programme; global environment assistance; payments to certain beneficiaries of the Gibraltar Social Insurance Fund; current and capital costs involved in the development of a public/private partnership with CDC Capital Partners; conflict prevention; related administrative work, including the administration of pensions expenditure; and certain associated non-cash items. The Forecast Operating Cost Statement also includes details of non-voted attribution for the UK share of European Community budgetary spending on aid and for the loss of interest to the Consolidated Fund as a result of Retrospective Terms Adjustment arrangements stemming from debt relief.

2. A detailed breakdown of voted resource allocation, voted capital allocation and a detailed analysis of administration expenditure over the period 2000/01 to 2005/06, are provided in Tables 2, 3 and 6 of Annex 1 'Analysis of Departmental Expenditure' of DFID's 2004 Report on the Government's expenditure plan (Cm 6214). The tables also include details of DFID's non-voted attribution for the European Community budgetary spending on aid and the loss of interest to the Consolidated Fund as a result of Retrospective Terms Adjustment arrangements stemming from debt relief.

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

Part I

	£
Request for Resources 1: Eliminating poverty in poorer countries	3,112,500,000
Request for Resources 2: Conflict prevention	38,190,000
Total net resource requirement	3,150,690,000
Net cash requirement	3,212,296,000

Amounts required in the year ending 31 March 2005 for expenditure by the Department for International Development on:

RfR 1: Eliminating poverty in poorer countries

International development under the International Development Act 2002, including financial and technical assistance to governments, institutions, voluntary agencies and individuals; capital and other subscriptions and contributions, including payments under guarantee to multilateral development banks and other international and regional bodies; emergency, refugee and other relief assistance; pensions and allowances in respect of overseas service including contributions to pension funds (including payments under the Overseas Pensions Act 1973, and grants in lieu of pensions); global environment assistance; payments to United Nations Educational, Scientific and Cultural Organisation (UNESCO); current and capital costs involved in the development of a public/private partnership with CDC Capital Partners; payments (under the authority of the European Communities Act 1972) to certain beneficiaries of the Gibraltar Social Insurance Fund; administration, related capital expenditure and other administrative costs; and associated non-cash items.

RfR 2: Conflict prevention

Conflict prevention, early warning, crisis management, conflict resolution/peacemaking and peacebuilding activity and on associated strengthening of international and regional systems and capacity; and on associated non-cash items.

The **Department for International Development** will account for this Estimate.

	Net total	Allocated in Vote on Account	Balance to complete
	£	£	£
RfR 1	3,112,500,000	1,227,036,000	1,885,464,000
RfR 2	38,190,000	17,262,000	20,928,000
Total net resource requirement	3,150,690,000	1,244,298,000	1,906,392,000
Net cash requirement	3,212,296,000	1,219,321,000	1,992,975,000

Part II: Subhead detail

£'000

2004-05						2003-04 Provision	2002-03 Outturn		
Resources						Capital		Net Total Resources	Net Total Resources
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- operating A in A		
1	2	3	4	5	6	7	8	9	10
RfR 1: Eliminating poverty in poorer countries									
226,600	97,505	2,793,728	3,117,833	5,333	3,112,500	43,000	25,000	3,014,793	2,754,638
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Reducing Poverty in sub-Saharan Africa									
47,612	-	765,535	813,147	218	812,929	2,810	1,500	720,136	654,439
B Reducing Poverty in Asia									
34,788	-	619,660	654,448	215	654,233	600	1,500	548,490	463,267
C Reducing Poverty in the Rest of the World									
23,348	-	241,834	265,182	200	264,982	190	3,697	447,867	252,543
D Improve the Effectiveness of Multilateral Aid									
12,206	33,400	794,718	840,324	100	840,224	17,180	18,000	824,599	802,163
E Developing Innovative Approaches to Development									
27,852	-	226,558	254,410	-	254,410	100	-	252,769	293,612
F Programmes Contributing to Multiple Objectives									
7,802	56,105	115,422	179,329	-	179,329	200	-	140,565	183,571
G Central Departments									
72,992	-	-	72,992	4,600	68,392	21,920	23	73,366	97,260
H Certain beneficiaries of the Gibraltar Social Insurance Fund									
-	8,000	-	8,000	-	8,000	-	-	7,000	7,783
I Unallocated									
-	-	30,000	30,000	-	30,000	-	-	-	-
J Crown Agents loan repayments									
-	-	-	-	-	-	-	280	-	-

Part II: Subhead detail *(continued)*

£'000

2004-05						2003-04 Provision	2002-03 Outturn		
Resources						Capital		Net Total Resources	Net Total Resources
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- operating A in A		
1	2	3	4	5	6	7	8	9	10
K	Anti money laundering								
-	-	1	1	-	1	-	-	1	-
RfR 2: Conflict prevention									
-	-	38,190	38,190	-	38,190	-	-	49,360	34,893
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Africa Conflict Prevention								
-	-	23,190	23,190	-	23,190	-	-	22,360	21,846
B	Global Conflict Prevention								
-	-	15,000	15,000	-	15,000	-	-	27,000	13,047
Total for Estimate:									
226,600	97,505	2,831,918	3,156,023	5,333	3,150,690	43,000	25,000	3,064,153	2,789,531

Part II: Resource to cash reconciliation

	2004-05		2003-04		2002-03	
	Provision		Provision		Outturn	
	£'000					
Net Total Resources	3,150,690		3,064,153		2,789,531	
Voted capital items						
Capital	43,000		67,600		56,120	
Less Non-operating A-in-A	25,000		28,600		39,096	
Total net voted capital	18,000		39,000		17,024	
Accruals to cash adjustment						
Adjustments to remove non-cash items:						
Cost of Capital charges	-92,315		-92,903		-135,429	
Depreciation	-24,500		-21,000		-16,080	
New provisions and adjustments to previous provisions	-261,405		-264,900		-443,252	
Profit/loss on sale of assets	-		-		-	
Prior period adjustments	-		-		-	
Other non-cash items	-250		-250		-41,287	
Increase (+) / Decrease (-) in stock	-		-		-	
Increase (+) / Decrease (-) in debtors	-		-		11,236	
Increase (-) / Decrease (+) in creditors	-		-		11,106	
Use of provisions	422,076		448,561		350,377	
Total accruals to cash adjustments	43,606		69,508		-263,329	
Excess cash to be CFERd	-		-		-	
Net Cash Requirement	3,212,296		3,172,661		2,543,226	

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):-

	2004-05		2003-04		2002-03	
	Provision		Provision		Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
	£'000					
Operating income not classified as AinA	15,000	<i>15,000</i>	15,000	<i>15,000</i>	16,569	<i>16,570</i>
Non-operating income not classified as AinA	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
Total	15,000	<i>15,000</i>	15,000	<i>15,000</i>	16,569	<i>16,570</i>

Forecast Operating Cost Statement

	2004-05 Provision	2003-04 Provision	2002-03 Outturn	£'000
Net Administration Costs				
RfR 1	222,000	214,816	94,128	
RfR 2	-	-	-	
Total Net Administration costs	222,000	214,816	94,128	
Net Programme Costs				
RfR 1	2,875,500	2,784,977	2,643,941	
RfR 2	38,190	49,360	34,893	
Non voted expenditure	607,500	867,500	806,664	
Total Net Programme costs	3,521,190	3,701,837	3,485,498	
Total Net Operating Cost	3,743,190	3,916,653	3,579,626	
<i>of which:</i>				
Net Resource Outturn	3,150,690	3,064,153	2,789,531	
CFERs	-15,000	-15,000	-16,569	
Non-voted expenditure	607,500	867,500	806,664	
Resource Budget Outturn	3,765,190	3,936,040	3,596,195	

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2004-05	2003-04	2002-03
	Provision	Provision	Outturn
Net Resource Outturn (Estimates)	3,150,690	3,064,153	2,789,531
<i>Adjustments to remove:</i>			
provision voted for earlier years	-	-	-
<i>Adjustments to additionally include:</i>			
non-voted expenditure in the OCS	607,500	867,500	806,664
Consolidated Fund Extra Receipts in the OCS	-15,000	-15,000	-16,569
Other adjustments	-	-	-
Net Operating Cost (Accounts)	3,743,190	3,916,653	3,579,626
<i>Adjustments to remove:</i>			
capital grants to local authorities	-	-	-
capital grants financed from the Capital Modernisation Fund	-	-	-
European Union income and related adjustments	-	-	-
voted expenditure outside the budget	-	-	-
<i>Adjustments to additionally include:</i>			
other Consolidated Fund Extra Receipts	15,000	15,000	16,569
resource consumption of non departmental public bodies	-	-	-
unallocated resource provision	7,000	4,387	-
Other adjustments	-	-	-
Resource Budget Outturn (Budget)	3,765,190	3,936,040	3,596,195
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	3,765,190	3,936,040	3,596,195
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2004-05	2003-04	2002-03
	Provision	Provision	Outturn
Net Voted Capital Outturn (Estimates)	18,000	39,000	17,024
<i>Adjustments to remove:</i>			
gains / losses from sale of capital assets	-	-	-
<i>Adjustments to additionally include:</i>			
other Consolidated Fund Extra Receipts	-	-	-
capital spending by non-departmental public bodies	-	-	-
capital grants to local authorities	-	-	-
capital grants financed by the Capital Modernisation Fund	-	-	-
local authority credit approvals	-	-	-
capital spending by levy funded bodies	-	-	-
unallocated capital provision	-	-	-
Other adjustments	-	-	-
Capital Budget Outturn (Budget)	18,000	39,000	17,024
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	18,000	39,000	17,024
Annually Managed Expenditure (AME)	-	-	-

Notes to the Main Estimate *(continued)*

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Permanent Head of the Department for International Development, Suma Chakrabarti as Principal Accounting Officer with overall responsibility for preparing the Department's Estimate.

The allocation of Accounting Officer responsibilities in the Department for International Development is as follows:

Request for Resources 1: Suma Chakrabarti, Principal Accounting Officer and Permanent Head of Department

Request for Resources 2: Suma Chakrabarti, Principal Accounting Officer and Permanent Head of Department

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 for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting*.

Notes to the Main Estimate *(continued)*

Analysis of appropriations in aid (A in A)

	£'000					
	2004-05		2003-04		2002-03	
	provision		provision		outturn	
	Operating	Non-	Operating	Non-	Operating	Non-
	A in A	operating	A in A	operating	A in A	operating
	A in A	A in A	A in A	A in A	A in A	A in A
RfR1: Eliminating poverty in poorer countries						
Loan repayments	—	22,497	—	26,297	—	39,064
Guarantee refunds from European Investment Bank	100	—	100	—	—	—
Administrative costs recoveries	4,500	23	4,500	23	4,155	29
Recovery of EBRD Director's salary	100	—	100	—	116	—
Crown Agents Loan repayment	—	280	—	280	—	—
Receipts from overseas governments	633	—	633	—	2,784	—
Income from CDC Group plc	—	2,200	—	2,000	—	—
Total RfR 1	5,333*	25,000**	5,333	28,600	7,333	39,093

*Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts from overseas governments in respect of bilateral country and sector programmes; recoveries of contributions to widows and orphans' pension schemes taken over by the UK; refunds of payments made under UK guarantees to the EIB, and recoveries in respect of administration including the EBRD Executive Directors' salary.

**Amount that may be applied as non-operating appropriations in aid arising from repayments of loans given to Crown Agents; capital repayments of development assistance loans, income from advances from DFID to and debentures issued to DFID by CDC Group plc and income from the disposal of fixed assets

Notes to the Main Estimate *(continued)*

Analysis of Consolidated Fund extra receipts

	£'000					
	2004-05 provision		2003-04 provision		2002-03 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Excess A in A	—	—	—	—	—	—
Operating income not classified as A in A	15,000	15,000	15,000	15,000	16,569	16,570
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	—	—	—	—	—	—
Total	15,000	15,000	15,000	15,000	16,569	16,570

Notes to the Main Estimate *(continued)*

Administration costs limits and Departmental Expenditure Limits £

Administration costs limits £'000

	Gross provision	Income	Total administration costs limit
Gross administration costs limits	226,600	–4,600	222,000
Net administration costs limits	—	—	—

Departmental Expenditure Limits (DEL) £'000

	Voted*	Non-voted	Total
Resource DEL	3,150,690	614,500	3,765,190
Capital DEL	18,000	—	18,000
Less depreciation	–24,500	—	–24,000
Total DEL	3,144,190	614,500	3,758,690

- * i. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 2 of Resource Accounting and Budgeting, as implemented in the 2002 Spending Review
 ii. Excludes EU receipts included in Estimates, but excluded in Budgets

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

The total net resource sought for 2004-05 of £3,150,690,000 is 2.8 per cent higher than the final provision for 2003-04 of £3,064,153,000 and 5.7 per cent higher than the forecast outturn of that year of £2,981,706,000

Notes to the Main Estimate (continued)**Cash which may be retained to offset expenditure****£'000**

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid

	2004-05 provision	2003-04 provision	2002-03 outturn
	30,333	33,933	46,426
