
Department of Health

Introduction

1 About 94 per cent of central government expenditure on health and personal social services (HPSS) 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 2006-07 and in Wales will be shown as part of the budget for the National Assembly for Wales 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 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 are two changes to the layout since 2005-06.

(i) most general dental and personal dental services are now in RfR1 Line A.

(ii) trust depreciation is now included within the Department's Departmental Expenditure Limit (DEL) and is included in RfR1 Line A.

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.

Part I

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Request for Resources 1: Securing health care for those who need it.	61,670,212,000
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	3,330,646,000
Request for Resources 3: Office of the Independent Regulator for NHS Foundation Trusts	12,324,000
Total net resource requirement	65,013,182,000
Net cash requirement	65,085,269,000

Amounts required in the year ending 31 March 2007 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 (including general medical, general ophthalmic, general dental 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; forming, investing in or providing loans or guarantees to companies that will provide facilities or services to the NHS, to provide 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 Executive, National Assembly for Wales, 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, research and development, information services and health promotion activities; 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 other countries of the European Economic Area; 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); training for all health care professionals (excluding doctors); the Employment Opportunities Fund programme; services provided to or on behalf of the Scottish Executive, National Assembly for Wales, 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.

Part I

	Net total	Allocated in Vote on Account	Balance to complete
RfR 1	61,670,212,000	25,997,228,000	35,672,984,000
RfR 2	3,330,646,000	1,593,934,000	1,736,712,000
RfR 3	12,324,000	4,500,000	7,824,000
Total net resource requirement	65,013,182,000	27,595,662,000	37,417,520,000
Net cash requirement	65,085,269,000	26,808,818,000	38,276,451,000

Part II: Subhead detail

										£'000	
2006-07 Provision										2005-06 Provision	2004-05 Outturn
Resources						Capital Non- operating A		Net Total Resources	Net Total Resources		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	in A	9	10		
1	2	3	4	5	6	7	8				
RfR 1: Securing health care for those who need it.											
-	79,392,570	971,429	80,363,999	18,693,787	61,670,212	4,142,228	1,305,000	59,800,991	50,246,076		
Spending in Departmental Expenditure Limits (DEL)											
<i>Central Government spending</i>											
A	Strategic health authorities and primary care trusts unified budgets and central allocations										
-	77,826,739	421,761	78,248,500	1,631,900	76,616,600	2,080,345	205,000	71,625,162	63,627,825		
B	FHS - pharmaceutical services										
-	1,151,704	-	1,151,704	-	1,151,704	-	-	1,099,300	965,623		
C	FHS - prescription charges income										
-	2,500	-	2,500	465,704	-463,204	-	-	-451,845	-422,393		
D	FHS - general dental services										
-	50,000	-	50,000	-	50,000	-	-	1,012,000	1,245,503		
E	FHS - general ophthalmic services										
-	361,000	-	361,000	100	360,900	-	-	352,000	340,756		
<i>Support for Local Authorities</i>											
F	Strategic health authorities and primary care trusts grants to local authorities										
-	-	311,788	311,788	-	311,788	-	-	419,981	340,159		
Spending in Annually Managed Expenditure (AME)											
<i>Central Government spending</i>											
G	Hospital financing for credit guarantee finance pilot projects and benefits for patients moved from prison to hospital.										
-	627	-	627	4,700	-4,073	84,204	-	2,262	3,175		
Non-Budget											
H	Grant in aid to non-departmental public bodies, NHS trusts and NHS foundation trusts PDC issues and repayments, NHS trusts and NHS foundation trusts PDC issues and repayments, NHS trusts and NHS foundation trusts loans and repayments and repayment of interest										
-	-	237,880	237,880	1,095,000	-857,120	1,977,679	1,100,000	11,881	-720,601		
I	NHS contributions										
-	-	-	-	15,496,383	-15,496,383	-	-	-14,269,750	-15,133,971		
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											

Part II: Subhead detail

										£'000		
2006-07 Provision								2005-06 Provision	2004-05 Outturn			
Resources							Capital Non- operating A		Net Total Resources	Net Total Resources		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	in A	9	10			
1	2	3	4	5	6	7	8					
230,859	1,202,541	1,944,528	3,377,928	47,282	3,330,646	21,129	11	3,469,814	3,440,563			
Spending in Departmental Expenditure Limits (DEL)												
<i>Central Government spending</i>												
A	Central department											
230,859	21,537	-	252,396	10,437	241,959	20,554	11	257,749	272,295			
B	NHS Purchasing and Supplies Authority											
-	21,659	-	21,659	508	21,151	500	-	26,980	21,172			
C	Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services											
-	227,245	39,553	266,798	9,214	257,584	25	-	269,101	329,048			
D	Welfare food and European Economic Area medical costs											
-	824,000	-	824,000	27,000	797,000	-	-	620,497	548,092			
E	Other personal social services											
-	108,100	-	108,100	123	107,977	50	-	111,015	94,272			
<i>Support for Local Authorities</i>												
F	AIDS support grant											
-	-	19,600	19,600	-	19,600	-	-	16,500	16,835			
G	Services for people with a mental illness											
-	-	132,900	132,900	-	132,900	-	-	132,950	131,248			
H	Carers' grant											
-	-	185,000	185,000	-	185,000	-	-	185,000	124,832			
I	Preserved rights grant											
-	-	297,565	297,565	-	297,565	-	-	348,130	435,257			
<i>Residential allowance grant</i>												
-	-	-	-	-	-	-	-	214,455	405,981			
J	Improving Information management (Capital)											
-	-	25,000	25,000	-	25,000	-	-	25,000	24,984			
K	National training strategy											
-	-	107,859	107,859	-	107,859	-	-	94,859	28,979			
L	Access and systems capacity grant											
-	-	546,750	546,750	-	546,750	-	-	642,000	484,044			
M	Human resources development strategy											

Part II: Subhead detail

										£'000	
2006-07 Provision										2005-06 Provision	2004-05 Outturn
Resources							Capital Non- operating A in A		Net Total Resources	Net Total Resources	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- operating A in A	Net Total Resources	Net Total Resources		
1	2	3	4	5	6	7	8	9	10		
	-	-	49,750	49,750	-	49,750	-	-	62,750	23,900	
N	Children and adolescents mental health grant										
	-	-	90,539	90,539	-	90,539	-	-	90,539	64,813	
O	Delayed discharge grant										
	-	-	100,000	100,000	-	100,000	-	-	100,000	99,959	
P	Assistive technology: older people										
	-	-	30,000	30,000	-	30,000	-	-	-	-	
Q	Prevention services pilots : older people										
	-	-	20,000	20,000	-	20,000	-	-	-	-	
R	Extra Care housing grant										
	-	-	20,000	20,000	-	20,000	-	-	-	-	
	<i>Training for social support staff</i>										
	-	-	-	-	-	-	-	-	-	54,911	
S	Individual Budget Pilots										
	-	-	6,000	6,000	-	6,000	-	-	-	-	
Non-Budget											
T	Grant in Aid funding of non-departmental public bodies and special health authorities										
	-	-	274,012	274,012	-	274,012	-	-	272,289	279,941	
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts											
	-	-	12,324	12,324	-	12,324	-	-	17,800	14,956	
Non-Budget											
A	Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts										
	-	-	12,324	12,324	-	12,324	-	-	17,800	14,956	
Total for Estimate:											
	230,859	80,595,111	2,928,281	83,754,251	18,741,069	65,013,182	4,163,357	1,305,011	63,288,605	53,701,595	

Part II: Resource to cash reconciliation

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Resource Requirement	65,013,182	63,288,605	53,701,595
Voted capital items			
Capital	4,163,357	5,354,406	2,898,434
Less Non-operating A-in-A	1,305,011	2,053,011	1,206,969
Total net voted capital	2,858,346	3,301,395	1,691,465
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-922,113	-1,851,158	-706,546
Depreciation	-816,133	-609,876	-431,193
New provisions and adjustments to previous provisions	-2,138,561	-1,866,363	-62,428
Profit/loss on sale of assets	10	10	-17,990
Prior period adjustments	-	-	-
Other non-cash items	-722	-722	-716
Increase (+) / Decrease (-) in stock	118,000	-	-
Increase (+) / Decrease (-) in debtors	139,783	139,783	-183,217
Increase (-) / Decrease (+) in creditors	-76,198	-276,198	-519,140
Use of provisions	909,675	809,675	1,027,305
Total accruals to cash adjustments	-2,786,259	-3,654,849	-893,925
Excess cash to be CFERd	-	-	-
Net Cash Requirement	65,085,269	62,935,151	54,499,135

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					
	2006-07		2005-06		2004-05	
	Provision		Provision		Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-	2	-
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	-	-	-	-	2	-

Forecast Operating Cost Statement

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Administration Costs			
RfR 1	-	-	-
RfR 2	226,944	248,087	266,680
RfR 3	-	-	-
Total Net Administration costs	226,944	248,087	266,680
Net Programme Costs			
RfR 1	61,670,212	59,800,991	50,246,074
RfR 2	3,103,702	3,221,727	3,173,883
RfR 3	12,324	17,800	14,956
Total Net Programme costs	64,786,238	63,040,518	53,434,913
Total Net Operating Cost	65,013,182	63,288,605	53,701,593
<i>of which:</i>			
Net Resource Requirement	65,013,182	63,288,605	53,701,595
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-	-	-2
Resource Budget	81,838,578	76,311,826	69,073,313

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Resource Requirement (Estimates)	65,013,182	63,288,605	53,701,595
<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	-	-	-2
Other adjustments	-	-	-
Net Operating Cost (Accounts)	65,013,182	63,288,605	53,701,593
<i>Adjustments to remove:</i>			
Capital grants	-176,642	-395,660	-159,587
European Union income related to capital grants	-	-	-
Voted expenditure outside the budget	16,591,383	14,432,268	16,049,418
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	2
Resource consumption of non departmental public bodies	-42,445	-13,903	24,173
Unallocated resource provision	1,453,000	-16,392	-
Other adjustments	-999,900	-983,092	-542,286
Resource Budget (Budget)	81,838,578	76,311,826	69,073,313
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	81,842,651	76,309,564	69,071,299
Annually Managed Expenditure (AME)	-4,073	2,262	2,014

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Voted Capital (Estimates)	2,858,346	3,301,395	1,691,465
<i>Adjustments to remove:</i>			
Gains / losses from sale of capital assets	10	10	-17,990
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Capital spending by non-departmental public bodies	96,545	55,778	62,230
Capital grants	176,642	395,660	159,587
European Union income related to capital grants	-	-	-
Supported capital expenditure (revenue)	50,320	53,420	52,920
Capital spending by levy funded bodies	-	-	-
Unallocated capital provision	502,409	-	-
Other adjustments	1,728,000	1,172,204	970,395
Capital Budget (Budget)	5,412,272	4,978,467	2,918,697
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	5,328,068	4,101,523	2,689,286
Annually Managed Expenditure (AME)	84,204	876,944	229,411

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1: Sir Ian Carruthers acting NHS Chief Executive

Request for Resources 2: Mr Hugh Taylor acting Permanent Head

Request for Resources 3: Mr Hugh Taylor acting Permanent Head

Mr Hugh Taylor as the Accounting Officer of the Department of Health has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department of Health.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
RfR 1: Securing health care for those who need it.			
Programme	18,693,787	17,611,073	18,014,258
<i>of which:</i>			
Sale of goods and services	2,097,704	2,260,425	1,963,653
NHS contributions	15,496,383	14,269,750	15,133,971
Other grant income (including repayment of grants/subsidies)	-	80	-
Interest and dividends	1,099,700	1,080,818	916,636
CFERs	-	-	-2
Total RfR 1	18,693,787†	17,611,073	18,014,258
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges for accommodation, goods and services to private and NHS patients, local authorities, Ministry of Defence and others; income from income generation schemes; income from local authorities under joint finance arrangements; income in respect of medical and dental education levy; income from the licensing of software; income in respect of settlement of legal claims; dividends and interest from investments; income from intellectual property; income of the Prescription Pricing Authority and Dental Practice Board; prescription fraud charges; income from NHS prescription and dental 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 the Scottish Executive, the National Assembly for Wales, 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 secured by counter fraud services from all sources including compensatory elements and refunds; compensation income for the National Programme for IT and payments on 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, at national level, protecting, promoting and improving the nation's health			
Administration	3,915	14,637	9,865
<i>of which:</i>			
Sale of goods and services	3,915	14,637	9,865
Programme	43,367	67,072	67,697
<i>of which:</i>			
Sale of goods and services	18,367	38,524	34,029
European Economic Area medica cost - income from member states	25,000	27,000	31,978
Other grant income (including repayment of grants/subsidies)	-	774	845
Other income (including receipts)	-	774	845
Total RfR 2	47,282†	81,709	77,562
† 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, NHS Estates 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 seconded officers, staff telephone calls, reimbursement of meeting expenses, 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, Commission for Social Care Inspection; 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; contributions to local authority grant schemes; refunds from communication campaigns contracts and contributions towards the cost of communication campaigns; income from publications; income from penalty charges; interest repayment on trading fund loans; income from the Scottish Executive, the National Assembly for Wales, 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.

Total Operating A in A	18,741,069	17,692,782	18,091,820
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Analysis of non-operating appropriations in aid (A in A)

£'000

	2006-07 Provision	2005-06 Provision	2004-05 Outturn
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RfR 1: Securing health care for those who need it.

Programme	1,305,000	2,053,000	1,206,959
<i>of which:</i>			
Sale of assets	205,000	553,000	233,311
Loan, etc, repayments	1,100,000	1,500,000	973,648
Total RfR 1	1,305,000†	2,053,000	1,206,959

† Amount that may be applied as non-operating appropriations in aid in addition to the net total 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.

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

Administration	10	10	10
<i>of which:</i>			
Sale of assets	10	10	10
Programme	1	1	-
<i>of which:</i>			
Sale of assets	1	1	-
Total RfR 2	11†	11	10

† Amount that may be applied as non-operating appropriations in aid in addition to the net total arising from: capital income from the sale of land, buildings, surplus vehicles and equipment, principal repayment of trading fund loans.

Total Non-Operating A in A	1,305,011	2,053,011	1,206,969
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Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000					
	2006-07		2005-06		2004-05	
	Provision	Income	Provision	Income	Outturn	Income
	<i>Receipts</i>		<i>Receipts</i>		<i>Receipts</i>	
NHS Estates Agency - interest on loans Φ	-	-	-	-	2	-
Total	-	-	-	-	2	-

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

	£'000		
	Voted	Non-voted	Total
Resource DEL	80,907,780	934,871	81,842,651
<i>of which:</i> *			
Administration budget	226,944	-	226,944
Near-cash in RDEL	77,030,426	998,480	78,028,906
Capital DEL**	2,073,115	3,254,953	5,328,068
Less Depreciation†	-816,133	-35,779	-851,912
Total DEL	82,164,762	4,154,045	86,318,807

* 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 for the previous year

The total net resource sought for 2006-07 of £65,013,182,000 is 2.7 per cent higher than the final net provision for 2005-06 of £63,288,605,000.

Cash which may be retained to offset expenditure

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 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.	20,046,080	19,745,793	19,298,789

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:

RfR/Section	Service	£'000
RfR2 /A	United Kingdom Xenotransplantation Interim Regularity Authority.	112
RfR2 /C	Payments to local authorities for public health services at airports.	2,430
RfR2 /C	Grants to voluntary organisations to expand opportunities for unemployed people to participate in voluntary work.	6,900

Notes to the Main Estimate (*continued*)

Expenditure in the form of adjustable advances

Sections F to S contain certain grants to local authorities including such as services for people with HIV infection and AIDS, services for people with a mental illness, support for carers, initiatives to promote the independence of people living in the community, the placing of charges on homes and improving information management. 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.♥	94,945
RfR1 /H	Commission for Healthcare Audit and Inspection. ♥	72,767
RfR1 /H	Council for Healthcare Regulatory Excellence. ♥	1,950
RfR1 /H	Post Graduate Medical Education Training Board.♥	2,503
RfR1 /H	Commission for Patient and Public Involvement in Health. ♥	28,000
RfR1 /H	NHS Direct ♥	16,215
RfR1 /H	NHS Professionals ♥	20,338
RfR2/T	Health Protection Agency.♥	156,226
RfR2/T	Human Fertilisation and Embryology Authority.♥	1,926
RfR2/T	General Social Care Council.♥	11,868
RfR2/T	Commission for Social Care Inspection ♥	95,598
RfR2/T	National Biological Standards Board. ♥	16,488
RfR3/A	Office of the Independent Regulator for NHS foundation trusts.♥	12,324

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	£2 million
Non-statutory contingent liabilities	
i) a letter which the Department sent to the Association of British Health Care Industries on 9 June 1992 may be construed as a letter of comfort in respect of contracts entered into by NHS trusts and hence result in a non-statutory liability. The letter was withdrawn on 17 August 1993, but a residual contingent liability may remain in respect of contracts entered into between the issue of the letter and its withdrawal.	Unquantifiable
ii) 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;	Unquantifiable
iii) 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
iv) an indemnity to higher education providers to cover a proportion of any redundancy costs, which may arise in respect of pre-registration nurse education which has now moved to the higher education sector, should a contract of education not be renewed.	£60 million
v) 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
vi) 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
RfR2:	
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; 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 against possible legal action against members of the team reviewing renal services at Portsmouth Hospital Trust; Unquantifiable

iv) indemnity against civil action against members in the course of the review into the handling of retained organs at Birmingham Children's Hospital; Unquantifiable

v) indemnity for members of the review team examining paediatric neurology services at Leicester;

vi) inquiry into issues arising from the management of homes for adults with severe learning difficulties in Newcastle-upon-Tyne;

vii) indemnity for members of the independent review into issues arising from paediatric services at Medway Maritime Hospital;

viii) indemnity for members of the independent inquiry into issues arising from the case of Harold Shipman;

ix) indemnity for members of the inquiry into the handling of complaints against Drs Ayling, Kerr, Haslem and Mr Neale;

x) indemnity for members of the inquiry into allegations about the conduct of C Ayling;

xi) indemnity for members of the inquiry into allegations about the conduct of R Neale;

xii) indemnity review into the issues arising from the treatment and standards of care provided to C. Bacon

xiii) indemnity for investigations into the case of C Isaacs;

xiv) indemnity for members of the independent review into Wyre Forest birthing centre;

xv) indemnity for members of the review of Breakspear hospital;

xvi) indemnity for members of the review into levels of safety at New Cross hospital maternity unit;

xvii) indemnity against side effects arising from use of smallpox vaccine and

xviii) indemnity for the Council for the regulation of health care professionals.

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

RfR/Section	Body	£'000
RfR2 /C	The UK subscription to the World Health Organisation.	16,000
