

1). Description of policy, including any assumptions necessary to allow the commitments to be costed:

Reinstate Defence Export Services Organisation (DESO) within the MOD. The original organisation transferred from MOD to UKTI in FY08/09, it has not been abolished. This costing assumes a full transfer back to the MOD at the pre-transfer structure (ie, with the restoration of the staff reductions made under the MOD's Head Office streamlining programme).

2). Information required on distributional effects of the policy:

3). Cost/Revenue to the Exchequer over five years:

Please summarise spending impacts in Table 1, below.

	DEL					AME				
	Start-up cost	Year 2	Year 3	Year 4	Year 5	Start-up cost	Year 2	Year 3	Year 4	Year 5
Current	2.371m	8.630m	8.846m	9.067m	9.303m					
Capital										
Total	2.371m	8.630m	8.846m	9.067m	9.303m					

For tax policies please summarise the scorecard impacts over the next five year period in Table 2, below:

	Revenue				
	2008-09	2009-10	2010-11	2011-12	2012-13
Total					

This costing does not include any staff costs to agree and arrange transfer; relocation costs from current location in UKTI to MOD; new MOD IT Systems or an increased guarding requirement. Cost increases from year 2 as we forgo the assumed rental receipt on empty office space, which would otherwise be put on the market. These costs do not include the original PES transfers from MOD which totalled: £17.855m for 10/11 and £18.301m for 11/12.

4). Distributional effects (if none requested, any significant):

5). Comparison with current system (if applicable):

6). Other comments (including other Departments consulted):

