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# Cabinet Office: Civil superannuation

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## Introduction

1. This Estimate covers the payment and associated non-cash items of pensions and other benefits to persons covered by the Principal Civil Service Pension Scheme (PCSPS) and certain other statutory schemes, including schemes for civil servants made under the Superannuation Act 1972
2. Provision is also made for the payment of annual compensation arising from early retirement that was pre-funded by employers covered by the Civil Service Compensation Scheme (CSCS) in previous years, and surrendered as extra receipts to the Consolidated Fund.
3. PCSPS employers meet the cost of pension cover for their staff by payment of charges set on an accruals basis. These charges, along with scheme members' contributions, are appropriated in aid of this Estimate.
4. This Estimate also includes the Security Service and Secret Intelligence Service superannuation.
5. Symbols are explained in the Introduction to this booklet.

# Cabinet Office: Civil superannuation

## Part I

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<b>Request for Resources 1: Civil superannuation</b>	<b>7,616,000,000</b>
<b>Total net resource requirement</b>	<b>7,616,000,000</b>
<b>Net cash requirement</b>	<b>950,000,000</b>

Amounts required in the year ending 31 March 2008 for expenditure by the Cabinet Office: Civil superannuation on:

### RfR 1: Civil superannuation

the superannuation of civil servants; pensions etc., and other pensions and non-recurrent payments; for other related services and associated non-cash items.

The **Cabinet Office: Civil superannuation** will account for this Estimate.

	Net total	Allocated in Vote on Account	Balance to complete
<b>RfR 1</b>	<b>7,616,000,000</b>	<b>2,692,168,000</b>	<b>4,923,832,000</b>
<b>Total net resource requirement</b>	<b>7,616,000,000</b>	<b>2,692,168,000</b>	<b>4,923,832,000</b>
<b>Net cash requirement</b>	<b>950,000,000</b>	<b>222,750,000</b>	<b>727,250,000</b>

**Part II: Subhead detail**

										<b>£'000</b>	
<b>2007-08 Provision</b>										<b>2006-07 Provision</b>	<b>2005-06 Outturn</b>
Resources						Capital Non- operating		Net Total Resources	Net Total Resources		
Admin 1	Other Current 2	Grants 3	Gross Total 4	A in A 5	Net Total 6	Capital 7	A in A 8				
<b>RfR 1: Civil superannuation</b>											
-	-	10,899,000	10,899,000	3,283,000	7,616,000	-	-	6,050,596	5,857,271		
<b>Spending in Annually Managed Expenditure (AME)</b>											
<i>Central Government spending</i>											
A Civil superannuation											
-	-	10,899,000	10,899,000	3,283,000	7,616,000	-	-	6,050,596	5,857,271		
<b>Total for Estimate:</b>											
-	-	<b>10,899,000</b>	<b>10,899,000</b>	<b>3,283,000</b>	<b>7,616,000</b>	-	-	<b>6,050,596</b>	<b>5,857,271</b>		

## Part II: Resource to cash reconciliation

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
<b>Net Resource Requirement</b>	<b>7,616,000</b>	<b>6,050,596</b>	<b>5,857,271</b>
<b>Voted capital items</b>			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
<b>Total net voted capital</b>	-	-	-
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-10,891,370	-9,337,504	-9,290,896
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-83,000	63,000	458,684
Increase (-) / Decrease (+) in creditors	1,235	137,938	15,314
Use of provisions	4,307,135	3,915,970	3,599,348
<b>Total accruals to cash adjustments</b>	<b>-6,666,000</b>	<b>-5,220,596</b>	<b>-5,217,550</b>
<b>Excess cash to be CFERd</b>	-	-	-
<b>Net Cash Requirement</b>	<b>950,000</b>	<b>830,000</b>	<b>639,721</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>2007-08</b>		<b>2006-07</b>		<b>2005-06</b>	
	<b>Provision</b>		<b>Provision</b>		<b>Outturn</b>	
	<b>Income</b>	<i>Receipts</i>	<b>Income</b>	<i>Receipts</i>	<b>Income</b>	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-	132,381	<i>156,023</i>
Non-operating income not classified as A in A	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	5	<i>5</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	<b>132,386</b>	<b><i>156,028</i></b>

## Forecast Combined Revenue Account

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
<b>Net Programme Costs</b>			
RfR 1	7,616,000	6,050,596	5,724,890
<i>of which:</i>			
Income			
Contributions received	3,038,000	3,070,908	3,576,081
Transfers in	162,000	145,000	-
Other income receivable	83,000	80,000	-
Total Income	3,283,000	3,295,908	3,576,081
Expenditure			
Increase in liability	4,819,955	3,829,504	4,127,165
Interest on scheme liability	6,071,415	5,508,000	5,163,731
Other expenditure	7,630	9,000	10,075
Total Expenditure	10,899,000	9,346,504	9,300,971
<b>Total Net Programme costs</b>	<b>7,616,000</b>	<b>6,050,596</b>	<b>5,724,890</b>
<b>Total Net Operating Cost</b>	<b>7,616,000</b>	<b>6,050,596</b>	<b>5,724,890</b>
<i>of which:</i>			
Net Resource Requirement	7,616,000	6,050,596	5,857,271
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-	-	-132,381
<b>Resource Budget</b>	<b>7,616,000</b>	<b>6,050,596</b>	<b>5,724,890</b>

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

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
<b>Net Resource Requirement (Estimates)</b>	<b>7,616,000</b>	<b>6,050,596</b>	<b>5,857,271</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	-	-	-132,381
Other adjustments	-	-	-
<b>Net Operating Cost (Accounts)</b>	<b>7,616,000</b>	<b>6,050,596</b>	<b>5,724,890</b>
<i>Adjustments to remove:</i>			
Gains / losses from sale of capital assets	-	-	-
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	-	-	-
Resource consumption of non departmental public bodies	-	-	-
Unallocated resource provision	-	-	-
Other adjustments	-	-	-
<b>Resource Budget (Budget)</b>	<b>7,616,000</b>	<b>6,050,596</b>	<b>5,724,890</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	-	-	-
Annually Managed Expenditure (AME)	7,616,000	6,050,596	5,724,890

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
<b>Net Voted Capital (Estimates)</b>	-	-	-
<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	-	-	-
Other adjustments	-	-	-
<b>Capital Budget (Budget)</b>	-	-	-
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	-	-	-
Annually Managed Expenditure (AME)	-	-	-

## 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 appointment for the Request for Resources within this Estimate.

**Request for Resources 1:** Sir Gus O'Donnell, Permanent Head of the Department

Sir Gus O' Donnell as the Accounting Officer of the Cabinet Office: Civil superannuation 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 Cabinet Office: Civil superannuation.

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)

	<b>£'000</b>		
	<b>2007-08 Provision</b>	<b>2006-07 Provision</b>	<b>2005-06 Outturn</b>
<b>RfR 1: Civil superannuation</b>			
<b>Programme</b>	<b>3,283,000</b>	<b>3,295,908</b>	<b>3,443,700</b>
<i>of which:</i>			
Pension scheme related income	3,283,000	3,295,908	3,576,081
CFERs	-	-	-132,381
<b>Total RfR 1</b>	<b>3,283,000†</b>	<b>3,295,908</b>	<b>3,443,700</b>
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges received from departments and others on account of the cost of pension cover provided for their staff; periodical contributions for widows', widowers' and dependants' benefits, other superannuation contributions and transfer values and bulk transfer value receipts.</i>			
<b>Total Operating A in A</b>	<b>3,283,000</b>	<b>3,295,908</b>	<b>3,443,700</b>

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

### Analysis of Consolidated Fund extra receipts

	<b>£'000</b>					
	<b>2007-08</b>		<b>2006-07</b>		<b>2005-06</b>	
	<b>Provision</b>		<b>Provision</b>		<b>Outturn</b>	
	<b>Income</b>	<b>Receipts</b>	<b>Income</b>	<b>Receipts</b>	<b>Income</b>	<b>Receipts</b>
Excess cash receipts $\Delta$	-	-	-	-	132,381	156,023
Other CFERs $\Delta$	-	-	-	-	5	5
<b>Total</b>	-	-	-	-	<b>132,386</b>	<b>156,028</b>

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

### Departmental Expenditure Limits and Administration budgets

	<b>£'000</b>		
	<b>Voted</b>	<b>Non-voted</b>	<b>Total</b>
Resource DEL	-	-	-
<i>of which:†</i>			
Administration budget	-	-	-
Near-cash in RDEL	-	-	-
Capital DEL††	-	-	-
Less Depreciation†††	-	-	-
Total DEL	-	-	-

† 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 2007-08 of £7,616,000,000 is 25.9 per cent higher than the final net provision for 2006-07 of £6,050,596,000 and 25.9 per cent higher than the forecast outturn for 2006-07 of £6,050,550,000.

### Cash which may be retained to offset expenditure

	<b>£'000</b>		
	<b>2007-08 Provision</b>	<b>2006-07 Provision</b>	<b>2005-06 Outturn</b>
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.	3,283,000	3,295,908	3,443,700

