

Department for International Development: Overseas Superannuation

Introduction

1. This Estimate covers the various superannuation payments and grants arising from service overseas. The main components are pensions, UK supplements and increases to overseas service pensions of former officers of the India, Pakistan and Burma civil and military services and their dependants, and to former colonial public servants and dependants; pensions for beneficiaries of certain former overseas pension funds for which the UK assumed responsibility for the take-over of the pensions; contributions to pension funds guaranteed by the UK and for police and firemen pension liabilities; and war service credit.
2. Details of the expenditure in each of the sections of the Estimate and a breakdown of the request for resource allocation are provided in the Departmental Report.
3. The Estimate provision for resource expenditure is the interest cost included in resource expense for the increase during the period of the present value of the scheme liability because the benefits are one period closer to settlement. There are no active members in schemes, and the schemes are closed. Therefore there is no further current service cost for benefits accruing included in the resource expense.
4. The net cash requirement reflects actual payments to pensioners during the year.
5. The administration costs associated with this Estimate are met from the International Development Estimate.
6. Symbols are explained in the Introduction to this booklet.

Part I

	£
Request for Resource 1: Overseas superannuation	154,261,000
Total net resource requirement	154,261,000
Net cash requirement	116,071,000

Amounts required in the year ending 31 March 2006 for expenditure by the Department for International Development on:

RfR 1: Overseas superannuation:

Pension and superannuation payments, grants and compensation payments, etc. in respect of overseas services; and sundry other services and expenditure.

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

	Net total	Allocated in Vote on Account	Balance to complete
	£	£	£
RfR 1	154,261,000	33,701,000	120,560,000
Total net resource requirement	154,261,000	33,701,000	120,560,000
Net cash requirement	116,071,000	52,952,000	63,119,000

Part II: Subhead detail

£'000

2005-06						2004-05 Provision	2003-04 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: Overseas superannuation									
-	154,265	-	154,265	4	154,261	-	-	76,815	77,128
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
A Pensions and associated expenditure									
-	70,433	-	70,433	4	70,429	-	-	76,815	77,128
Non-budget									
B Pensions and associated expenditure									
-	83,832	-	83,832	-	83,832	-	-	-	-
Total for Estimate:									
-	154,265	-	154,265	4	154,261	-	-	76,815	77,128

Part II: Resource to cash reconciliation

	£'000		
	2005-06 Provision	2004-05 Provision	2003-04 Outturn
Net Total Resources	154,261	76,815	77,128
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-154,265	-76,256	-77,132
Profit (+) / loss (-) on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	5	64,097
Increase (-) / Decrease (+) in creditors	-	-250	-14,497
Use of provisions	116,075	117,676	118,657
Total accruals to cash adjustments	-38,190	41,175	91,125
Excess cash to be CFERd	-	-	-
Net Cash Requirement	116,071	117,990	168,253

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					
	2005-06 Provision		2004-05 Provision		2003-04 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	-	-	5	<i>78</i>	338	<i>717</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	-	-	5	<i>78</i>	338	<i>717</i>

Notes to the Main Estimate

Forecast Combined Revenue Account

	£'000		
	Provision 2005-06	Provision 2004-05	Outturn 2003-04
Net programme costs, Request for Resources 1			
Income			
Contributions received	4	4	6
Transfers in	—	42	—
Other income receivable	—	—	—
	4	46	6
Expenditure			
Increase in liability	—	65	6
Interest on scheme liability	70,433	76,191	76,145
Other expenditure	—	600	375
Change in discount rate	83,832	—	—
	154,265	76,856	76,796
Total net programme costs			
	154,261	76,810	76,790
Net Operating Cost			
<i>of which:</i>			
Net Resource Outturn	154,261	76,815	77,128
<i>less</i>			
Prior period adjustments	—	—	—
<i>Plus</i>			
CFERs	—	-5	-338
Non-voted	—	—	—
Resource Budget Outturn	70,429	76,810	76,790

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2005-06 Provision	2004-05 Provision	2003-04 Outturn
Net Resource Outturn (Estimates)	154,261	76,815	77,128
<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	—	-5	-338
Other adjustments	—	—	—
Net Operating Cost (Accounts)	154,261	76,810	76,790
<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	-83,832	—	—
<i>Adjustments to additionally include:</i>			
other Consolidated Fund Extra Receipts	—	—	—
resource consumption of non departmental public bodies	—	—	—
unallocated resource provision	—	—	—
Other adjustments	—	—	—
Resource Budget Outturn (Budget)	70,429	76,810	76,790
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	—	—	—
Annually Managed Expenditure (AME)	70,429	76,810	76,790

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2005-06 Provision	2004-05 Provision	2003-04 Outturn
Net Voted Capital Outturn (Estimates)	—	—	—
<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)	—	—	—
<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 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: Suma Chakrabarti, the Permanent Head of the Department for International Development

Suma Chakrabarti, as the Principal Accounting Officer (PAO) of the Department for International Development: Overseas Superannuation has personal responsibility for the proper presentation of the Department for International Development: Overseas Superannuation's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Department for International Development: Overseas 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 the 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 available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the Department for International Development: Overseas Superannuation's policies, aims and objectives; and should regularly review the effectiveness of that system.

Notes to the Main Estimate *(continued)*

Analysis of appropriations in aid (A in A)

	£'000					
	2005-06 provision		2004-05 provision		2003-04 outturn	
	Operating A in A	Non- operating A in A	Operating A in A	Non- operating A in A	Operating A in A	Non- operating A in A
RfR 1: Overseas superannuation						
Transfers in	—	—	41	—	6	—
Police receipt	4	—	—	—	—	—
Total RfR 1	4*	—	41	—	6	—
<i>of which: Administration Budgets</i>	—	—	—	—	—	—

*Amount that may be applied as appropriations in aid in addition to the net total, arising from UK police force share of superannuation in respect of retired UK police officers with joint UK and overseas service.

Notes to the Main Estimate *(continued)*

Analysis of Consolidated Fund Extra Receipts (CFERs)

	£'000					
	2005-06 provision		2004-05 provision		2003-04 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Miscellaneous (Police Transfer Values not classified as A in A) Φ	—	—	5	78	338	717
Total	—	—	5	78	338	717

Notes to the Main Estimate *(continued)*

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

The total net resource sought for 2005-06 of £154,261,000 is 100.8 per cent higher than the final net provision and forecast outturn for 2004-05 of £76,815,000.

Expenditure resting on the sole authority of the Appropriation Act

The following RfR contains provision sought under the sole authority of Part I of the Estimate and the confirming Appropriation Act:

4 Pensions etc. for service with the Cotton Research Corporation.	£47,500
388 Grants (equivalent to pensions benefits) to certain former civil servants and military officers of the Republic of Yemen (and its predecessors, e.g. Aden) and to former civil servants of Burma, Guyana, Jamaica, Somaliland, Tanzania, Uganda, Zanzibar and the East African Community under the Carr/Robertson Assurance 1964.	£320,000
358 Pensions etc. to and in respect of certain officers and warrant officers of the former British India and Burma armed forces analogous to the pensions payable to British armed forces personnel under The Naval, Military and air Forces Etc. (Disablement and Death) Service Pensions Order 1983, as amended.	£1,850,000
12 Pensions etc. to and in respect of certain former Palestine Police personnel analogous to the pensions payable to British civilians under the Personal Injuries Civilian Scheme.	£35,000

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 (operating and non-operating) that has been or will be appropriated in aid

2005-06 provision	2004-05 provision	2003-04 outturn
4	41	6

Department for International Development: Overseas Superannuation

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Non-operating income not classified as AinA	-	-	-	-	-	-
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Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
Total	-	-	5	<i>78</i>	338	<i>717</i>

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Prior period adjustments	—	—	—
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Departmental Expenditure Limits (DEL)	—	—	—
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Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2005-06 Provision	2004-05 Provision	2003-04 Outturn
Net Voted Capital Outturn (Estimates)	—	—	—
<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)	—	—	—
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	—	—	—
Annually Managed Expenditure (AME)	—	—	—

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Police receipt	4	—	—	—	—	—
Total RfR 1	4*	—	41	—	6	—
<i>of which: Administration Budgets</i>	—	—	—	—	—	—

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Notes to the Main Estimate *(continued)*

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