

## Department for Business, Innovation & Skills

### Main Estimates Memorandum 2011-12

I am enclosing the Department for Business, Innovation and Skills (BIS's) Memorandum for the forthcoming Main Estimate. This Memorandum has been prepared in accordance with the "Guide to Preparing Estimate Memoranda" and has been approved by the Departmental Accounting Officer.

Presentation and publication of the forthcoming Main Estimate will be made on 26 April 2011.

As discussed at my meeting with the Select Committee in January, from 2011-12 Estimates are being presented on a revised basis which brings greater alignment between Estimates, budgets and accounts. Parliament is being asked to vote on Estimate figures which reflect the net expenditure of the Department and its Partner Organisations, rather than voting on the core Department's expenditure and income, and the Grant-in-Aid paid to its Partner Organisations.

I trust that this Memorandum provides sufficient detail for the Committee, but if more detailed explanation is required, I will be happy to provide additional information. Details of the programme and capital budgets being made available to the individual Research Councils are shown in Annex C.

*20 April 2011*

1. The Main Estimate for 2011-12 seeks the necessary resources and cash to support the functions of the Department for Business, Innovation and Skills (BIS) and its Non Departmental Public Bodies (NDPBs). The purpose of this Memorandum is to provide the Select Committee with an explanation of how the resources and cash sought in the Main Estimate will be applied to achieve Departmental objectives, and how the amounts compare to those set in the Main Estimate for 2010-11. A contents list may be found at Annex A and a glossary of terms used within the Estimate at Annex B.

2. One outcome from the implementation of HM Treasury's alignment project is that there will only be one Supplementary Estimate each year. This means that no further changes will be made to BIS's funding or net cash requirement until the 2011-12 Supplementary Estimate. As explained at the meeting in January between BIS's Finance Director and the Committee, BIS has an extremely complex balance sheet which includes a number of risky and volatile assets and we may therefore have to make a Reserve claim to cover risks to our DEL budget, particularly in relation to the value of the Student Loan book. Failure to cover any associated risks would result in a breach of the Estimate and an Excess Vote.

### **The Delivery of Objectives**

3. The resources awarded for 2011-12 support the priorities of the Department in the BIS Business Plan. These are:

- Rebalance the economy across sectors
- Rebalance the economy across regions
- Safeguard the future of Royal Mail and the Post Office
- Build an internationally competitive skills base
- Support universities, science and research in building a strong, innovative economy
- Boost enterprise and make this the decade of the entrepreneur
- Stimulate exports and inward investment
- Create a positive business environment
- Protect and empower consumers

2. BIS will report on delivery of the Structural Reforms in its Business Plan on a monthly basis at [www.number10.gov.uk/transparency](http://www.number10.gov.uk/transparency); and data on BIS's impact and input indicators will be published on a quarterly basis. Progress in delivering the Department's Business Plan will also be published in its annual report and in forthcoming departmental scorecards.

#### **Departmental Expenditure Limits Budget for 2010-11**

4. The Budget for the period from 2008-09 to 2010-11 was set through the Comprehensive Spending Review 2007 process, and then amended for the various machinery of government (MoG) changes and the various increases or decreases to budgets which have occurred. The following table shows the Departmental Expenditure Limits (DEL) budget figures in the Main Estimates for 2010-11 to allow comparison with 2011-12 figures set through the 2010 Spending Review:

#### **Departmental Expenditure Limits Budget for 2010-11**

5. The budget set in the Main Estimate for 2010-11 was as follows:

Figures published in the 2010-11 Main Estimates	£m	£m
	Resource	Capital
Total	19,039.8	2,002.3
<i>Including non cash of:</i>	1,730.9	
<i>Including admin of:</i>	321.2	

6. The following figures show budget set for 2011-12 through Spending Review 2010:

Figures published in the 2011-12 Main Estimates	£m	£m
	Resource	Capital
Total	18,410.3	1,179.9
<i>Including non cash of:</i>	1,949.1	
<i>Including admin of:</i>	907.0	

7. Changes to HM Treasury’s budgeting guidance for 2011-12 onwards have resulted in the division of costs for Partner Organisations between programme and admin (to cover “back office costs”). Within BIS’s resource DEL settlement, the admin budget of £907m includes three ring fenced elements: the Regional Development Agencies (£150m); UK Trade & Investment (£39.3m) and depreciation (£69m). The remaining £648.7m covers the admin costs of core BIS and the rest of its Partner Organisations. The admin figures are subject to a reduction of 22% over the four years of the settlement.

**Estimates changes for 2011-12**

8. HM Treasury’s Alignment (or ‘Clear Line of Sight’) Project aims to simplify government’s financial reporting to Parliament by better aligning the recording of government spending in departmental budgets, Estimates and resource accounts. Full details of the alignment reforms were set out in Cm 7567 published in March 2009. Changes to the budgetary framework resulting from the Alignment Project were implemented in 2010-11.

9. From 2011-12 Parliament is being asked to vote on Estimates figures which reflect the net expenditure of the Department and its Partner Organisations, rather than voting on the core Department’s expenditure and income, and the Grant-in-Aid paid to its Partner Organisations. Requests for Resources have ceased to exist although Estimate lines showing Business, Science and Education and Skills data continue to be shown separately and any ring-fencing of funding will remain.

10. Control of the core Department’s income will be through the listing of the income sources in Ambits. There will be very few income sources to be treated as Consolidated Fund Extra Receipts (income streams which have to be returned to HM Treasury rather than utilised by the Department). There are also separate Ambits for DEL and Annually Managed Expenditure (AME).

11. Capital grants are now shown in the capital column of the Estimate in line with the budgetary treatment. However in accounts, capital grants will continue to be treated as resource expenditure.

**Budget 2011 Changes**

12. A number of changes were announced in the 2011 Budget and resulted in the following changes to the Department’s Budget:

Notes	Budget 2011 Changes	Resource	Capital
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		£m	£m
	<b>Total awarded through the Settlement</b>	<b>18,410.3</b>	<b>1,179.9</b>
a	Additional funding for Apprenticeships	84.0	
b	Additional funding for science capital programmes		100.0
	<b>Totals</b>	<b>18,494.3</b>	<b>1,279.9</b>

Notes:

a. Budget 2011 allocated an additional £177m over the four year Spending Review period (profiled £84m/£50m/£39m/£4m) to deliver 40,000 apprenticeship places linked to the Department for Work and Pensions work experience programme to support young people not in Education, Employment or Training, and a further 10,000 higher level apprenticeships.

b. An additional £100m was allocated in 2011-12 for science programmes for investment in science facilities for the commercialisation of research, accommodation for innovative Small and Medium Enterprises and new research capabilities. This will fund investments in the Norwich Research Park and Babraham Research Campus in Cambridge, new instruments at the ISIS research centre and development of the International Space Innovation Centre in Oxfordshire. These new commitments build on the settlement for science and research and underline the Government's recognition of the contribution of science to economic growth.

13. Other changes to the Settlement figures are as follows:

Notes	Other Changes	Resource £m	Capital £m
	<b>Totals including Budget 2011 changes</b>	<b>18,494.3</b>	<b>1,279.9</b>
c	Baseline switches from AME and non budget into DEL	3.3	
d	Transfers from the Ministry of Justice	16.7	
e	Transfer from HM Treasury	0.2	
f	Transfer to the Department for Culture, Media and Sport	(7.2)	(102.0)
g	Transfer to the Foreign and Commonwealth Office	(2.4)	
h	Transfer to the Department for Communities and Local Government	(0.9)	
l	Transfer to the Office for National Statistics	(1.5)	
j	Transfer from the Ministry of Defence	1.1	
		<b>18,503.6</b>	<b>1,177.9</b>

Notes:

c. As part of the changes resulting from the Spending Review, it was agreed with HM Treasury that the budget to cover corporation tax for the London Development Agency (formerly AME) and the Animal Licensing fees (formerly non budget) should form part of the DEL budget.

d. Transfers from the Ministry of Justice for £0.3m for the provision of careers advice within prisons and £16.4m machinery of government transfer for the provision of offender learning.

e. A machinery of government transfer from HM Treasury related to the Government Property Unit. The property functions in the Office of Government Commerce and the Shareholder

Executive have been combined into a single unit to lead the work across government to transform the way the public sector uses its £370 billion worth of estate.

- f. A machinery of government transfer in respect of Ofcom as a result of the Prime Minister's decision that competition and policy issues relating to the media, broadcasting, digital and telecoms sectors would transfer to the Department for Culture, Media and Sport.
- g. A transfer to the Foreign and Commonwealth Office for the science and innovation network, a network of UK national and locally engaged staff, who are based in UK Embassies and Consulates abroad. This comprises almost 100 staff who work in British Embassies and consulates around the world, in some twenty five countries of scientific interest.
- h. A transfer of £0.9m to the Department for Communities and Local Government as a contribution towards streamlining the costs of procurement from the Ordnance Survey.
- i. A transfer of £1.5m to the Office for National Statistics towards the costs of the fourth page of the Census.
- j. A transfer of £1.1m from the Ministry of Defence towards the costs of the National Cyber Security programme.

More details on the Department's DEL budget allocations for 2011-12 are given in Annex C.

### Administration Budget

14. The following table shows the Settlement figure and changes made through the Main Estimate to the 2011-12 Administration Cost Limits in the Main Estimates:

Notes		Near Cash
		£m
	<b>Admin Cost Limits in the 2011-12 Main Estimate</b>	<b>907.0</b>
e (above)	Transfer for the Government Property Unit	0.2
f (above)	Transfer for Digital and Media programmes	(3.4)
	<b>Admin Cost Limits in the 2011-12 Main Estimate</b>	<b>903.8</b>

## Annually Managed Expenditure (AME)

15. The Department's 2011-12 AME Budgets are shown in the following table:

Notes:	Description Voted	Resource £m	Capital £m
(a)	Post Office Working Capital loan	(3.0)	750.0
(b)	Loans to Students	(1,805.9)	5,712.3
(c)	Paternity Pay	60.0	
(d)	UKAEA provisions	6.7	
(f)	Science Research Council pensions	43.8	
(g)	British Shipbuilders' Liabilities Provision	(0.8)	
(h)	Insolvency Service Provisions	4.8	
(h)	Launch Investment Provisions	(60.3)	
(h)	Loan Guarantees/Capital for Enterprise Funds Provisions	(13.2)	
(h)	BIS Provisions	(101.0)	
(h)	Advisory, Conciliation and Arbitration Service Provisions	4.0	
(h)	Skills Funding Agency provisions	3.5	
(i)	Redundancy Payments Service	390.0	
(j)	RDA provisions, impairments and corporation tax	129.2	
(h)	Science Research Councils' Provisions	102.0	
(k)	Construction Industry Training Board	(0.4)	5.6
(k)	Engineering Construction Industry Training Board	2.0	0.2
(h)	HEFCE Provisions	(22.0)	
(h)	Student Loan Company provisions	2.0	
(l)	Student Loan Debt Sale provision	20.5	
	Other	(4.5)	
	<b>Total AME Budget</b>	<b>(1,242.6)</b>	<b>6,468.1</b>

### Notes:

(a) The Department provides a revolving loan facility to Post Office Ltd (POL) of up to £1.15 billion. This is to help the company fund its in-branch working capital requirements to deliver services of general economic interest (such as social benefits payments). The facility matures on 31 March 2016, subject to State Aid clearance. The Resource element of £(3m) reflects interest payments to be made by POL, and the Capital element of £750 million represents an estimate of the loan figure at the year end.

(b) The Resource amount of £(1,805.9m) reflects interest payments to be received in respect of Student Loans, and the Capital figure of £5,712.3m reflects the forecast amount of new loans to be made in 2011-12.

(c) BIS has responsibility for the policy relating to Paternity Pay, and holds the associated budget, although the payments are actually made by HM Revenue and Customs (HMRC). BIS repays HMRC on an annual basis.

(d) The UK Atomic Energy Authority continues to have responsibility for the Culham Jet site for which a provision has been made for decommissioning costs and for restructuring provisions.

- (f) Payments to be made from the Research Councils Pension Fund.
- (g) The Department has the responsibility for providing funds to the British Shipbuilders' Corporation for liabilities arising from personal injury to former employees as a result of exposure to asbestos.
- (h) The majority of the costs for making and increasing provisions, offset by credits arising from payments against those provisions, were moved from DEL into AME from 2010-11.
- (i) The Insolvency Service operates the Redundancy Payments Service on behalf of HMRC. The payments made are funded by the National Insurance Fund.
- (j) The RDAs began paying corporation tax in 2010-11 with an amount of £8.3m included for 2011-12. The budget for impairments is £116.3m which reflects the expected diminution in value of properties held and £4.6m for bad debts.
- (k) The Construction Industry Training Board and the Engineering Construction Industry Training Board are levy-funded bodies whose costs are covered by the levies raised.
- (l) This amount reflects credits arising when payments are made against the existing provision for the past Student Loan Debt Sale.

### Net Cash Requirement

16. The Voted and Non-Voted Resource and Capital DEL (including the Administration Budget) are announced in a summary table in the Estimate. The following table shows the reconciliation between the total Resource and Capital Budget figures shown above and the Net Cash Requirement. The revised Net Cash Requirement for 2011-12 is as follows:

	£m
Resource DEL Budget	18,503.6
Capital DEL Budget	1,177.9
Resource AME	(1,242.6)
Capital AME	6,468.1
<b>Total Budget</b>	<b>24,907.0</b>
Less NDPB budget items	(10,967.5)
Plus non-voted non-Budget Grant-in-Aid for NDPBs	10,500.2
Less other budget items with no cash requirement (depreciation etc)	(1,654.8)
<b>Total Net Cash Requirement</b>	<b>22,784.9</b>

### End Year Flexibility

17. The concept of End Year Flexibility ceased in 2010-11 and brought an end to any stocks built up over previous years. This has been replaced by a system under which Departments will be allowed to give up any budget which is not expected to be spent in-year through the Supplementary Estimate, at which time it will be added to the following year's budget.

### **Provisions and Contingent Liabilities**

18. The Department provides for legal or constructive obligations, which are uncertain in respect of either timing, or amount, on the basis of the best estimate of the expenditure required to settle the obligation. Details of the Department's main provisions and contingent liabilities as at 31 March 2011 will be shown in the 2011 annual Departmental Report and Resource Account. Tables showing provisions and contingent liabilities (as reflected in the Interim 2010-11 Resource Accounts), are included at Annexes D and E.

### **Process for Preparation and Approval of Memorandum**

19. This Memorandum has been prepared in accordance with the suggested format as set out in The Supply Estimates Guidance Manual and has been approved by the Departmental Accounting Officer.



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## Explanation of key terms used in the Memorandum and Main Estimate

### **Departmental Expenditure Limit (DEL)**

This is spending within the Department's direct control and which can, therefore, be planned over an extended period, such as the costs of its own Administration.

### **Annually Managed Expenditure (AME)**

Annually Managed Expenditure is primarily demand led expenditure. It is generally less predictable and controllable than expenditure in Departmental Expenditure Limit. Annually Managed Expenditure spending does not fall within the Departmental Expenditure Limit.

### **Consolidated Fund Extra Receipts (CFERs)**

Receipts not authorised to be Appropriated-in-Aid paid over to HM Treasury without benefit to the Department. From 2011-12 these will mainly consist of any income streams for which the Department has no cover within its Ambit.

### **Departmental Unallocated Provision**

A Departmental reserve, which can be accessed, where necessary, by means of a Main or Supplementary Estimate.

### **Voted and Non-Voted Funds**

The term Vote applies to the process by which Parliament formally approves the Supply of funds to the Department. Non-voted funds have, by definition, not been through that process. These will be few but will include the Grant-in-Aid paid to Non Departmental Public Bodies.

**DEL Budget Allocations****Knowledge and Innovation Group**

The programme and capital budgets within the Knowledge and Innovation Group are allocated as follows<sup>1</sup>:

	<b>Programme</b>	<b>Capital</b>
<b>DEL Budgets</b>	<b>£m</b>	<b>£m</b>
The Royal Society	47.8	
Royal Academy of Engineering	12.6	
British Academy	27.0	
RB Initiatives	35.4	
Science and Society <sup>2</sup>	13.0	
Research Capital Investment Fund		11.5
Biotechnology and Biological Sciences Research Council	377.8	68.0
Arts and Humanities Research Council	100.1	
Economic and Social Research Council	155.9	18.7
Engineering and Physical Sciences Research Council	770.7	46.0
Medical Research Council	582.5	64.1
Natural Environment Research Council	336.6	52.2
Science and Technology Facilities Council	446.1	91.5
Higher Education Funding Council for England	6,307.4	223.8
Large Facilities Capital Fund		115.0
Technology Strategy Board	212.8	
UK Space Agency	205.6	19.0
Student Loans Company	67.3	
Student Support	3,349.1	
Other	37.7	
<b>Total</b>	<b>13,085.4</b>	<b>709.8</b>

**Business and Skills Group**

The programme and capital budgets within the Business and Skills Group are allocated as follows:

	<b>Resource</b>	<b>Capital</b>
<b>DEL Budgets</b>	<b>£m</b>	<b>£m</b>
Skills Funding Agency	3,529.3	305.2
Office for Fair Access	0.5	
UK Commission for Employment and Skills	54.1	
Other Further Education	125.8	
RDAs/LDA (plus income from other Government Departments)	156.0	9.0
Financial Guarantees		96.0
Launch Investment		(39.0)
Growth Capital Fund	33.7	
Enterprise Growth and Business Investment	114.0	26.1
Other Business Programmes	155.8	53.1
<b>Total</b>	<b>4,169.2</b>	<b>450.4</b>

**The Shareholder Executive Group**

The programme and capital budgets within the Shareholder Executive Group are allocated as follows:

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<sup>1</sup> From 2011-12 all Partner Organisations have separate administration budgets which are additional to the programme and capital budgets shown in this Annex.

	Resource	Capital
DEL Budgets	£m	£m
Post Office	179.9	
UK Atomic Energy Authority	11.1	
Government Property Unit	40.9	
Other Programmes	8.0	
<b>Total</b>	<b>239.9</b>	<b>-</b>

### Market Frameworks Group

The programme and capital budgets within the Market Frameworks Group are allocated as follows:

	Resource	Capital
DEL Budgets	£m	£m
Advisory, Conciliation and Arbitration Service	40.1	1.1
Insolvency Service	12.1	6.6
Other Partner Organisations	51.1	1.5
Other Programmes	35.0	
<b>Total</b>	<b>138.3</b>	<b>9.2</b>

### Corporate Group

The programme and capital budgets within the Corporate Group are allocated as follows:

	Resource	Capital
DEL Budgets	£m	£m
Legal	2.0	
Other	868.8	8.5
<b>Total</b>	<b>870.8</b>	<b>8.5</b>

## Provisions for Liabilities and Charges

Core Department							
	UKAEA Restructuring	UKAEA Decommissioning	Early Departure Costs	British Shipbuilders	Onerous Leases	Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 April 2009 (restated)</b>	<b>26,121</b>	<b>154,403</b>	<b>21,231</b>	<b>117,999</b>	<b>147,399</b>	<b>21,389</b>	<b>488,542</b>
Provided in the year	-	6,587	3,182	-	-	-	<b>9,769</b>
Provisions not required written back	(684)	-	-	(7,541)	(1,427)	(1,810)	<b>(11,462)</b>
Provisions utilised in the year	(2,717)	-	(8,144)	-	(11,832)	(2,506)	<b>(25,199)</b>
Unwinding of discount	470	3,397	382	2,596	3,243	256	<b>10,344</b>
<b>Balance at 31 March 2010</b>	<b>23,190</b>	<b>164,387</b>	<b>16,651</b>	<b>113,054</b>	<b>137,383</b>	<b>17,329</b>	<b>471,994</b>
Provided in the year	-	-	22,004	51,631	61,890	2,318	<b>137,843</b>
Provisions not required written back	(1,483)	(40)	-	-	-	(33)	<b>(1,556)</b>
Provisions utilised in the year	(3,281)	(1)	(5,028)	-	(5,363)	(2,282)	<b>(15,955)</b>
Unwinding of discount	510	3,616	583	2,487	3,022	170	<b>10,388</b>
<b>Balance at 31 December 2010</b>	<b>18,936</b>	<b>167,962</b>	<b>34,210</b>	<b>167,172</b>	<b>196,932</b>	<b>17,502</b>	<b>602,714</b>

Consolidated							
	UKAEA Restructuring	UKAEA Decommissioning	Early Departure Costs	British Shipbuilders	Onerous Leases	Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 April 2009 (restated)</b>	<b>26,121</b>	<b>154,403</b>	<b>25,278</b>	<b>117,999</b>	<b>147,564</b>	<b>37,526</b>	<b>510,891</b>
Provided in the year	-	6,587	3,182	-	-	-	<b>9,769</b>
Provisions not required written back	(684)	-	-	(7,541)	(1,427)	(1,922)	<b>(11,574)</b>
Provisions utilised in the year	(2,717)	-	(9,239)	-	(11,832)	(4,408)	<b>(28,196)</b>
Unwinding of discount	470	3,397	382	2,596	3,243	256	<b>10,344</b>
<b>Balance at 31 March 2010</b>	<b>23,190</b>	<b>164,387</b>	<b>19,603</b>	<b>113,054</b>	<b>139,548</b>	<b>31,452</b>	<b>491,234</b>
Provided in the year	-	-	22,117	51,631	61,890	3,157	<b>138,795</b>
Provisions not required written back	(1,483)	(40)	-	-	-	(1,885)	<b>(3,408)</b>
Provisions utilised in the year	(3,281)	(1)	(5,753)	-	(5,363)	(3,054)	<b>(17,452)</b>
Unwinding of discount	510	3,616	583	2,487	3,022	170	<b>10,388</b>
<b>Balance at 31 December 2010</b>	<b>18,936</b>	<b>167,962</b>	<b>36,550</b>	<b>167,172</b>	<b>199,097</b>	<b>29,840</b>	<b>619,557</b>

## Contingent liabilities

Nature of Liability	£'000
<b>As at 31 December 2010 the following liabilities fell to be met from the Department's Estimate:</b>	
<b>Statutory Liabilities Charged to Resource Estimates:</b>	
Liabilities that arise from the audit work carried out in respect of the delivery of activities funded through European Union initiatives or through single Regeneration Budget and other schemes sponsored by Government Departments other than the former Department for Education and Skills and Department for Trade and Industry.	1,500
Liabilities that arise from the transfer of Training and Enterprise Councils (TEC)/Chambers of Commerce Training and Enterprise Councils (CCTE) functions to successors, including from staff who have transferred or been made redundant, and who as a result of the transfer seek redress through the Employment Tribunal.	1,500
Liabilities arising from properties leased by TECs/CCTEs that they have been unable to dispose of by the time they wind up. The Department may take over these leases and dispose of them on behalf of the TECs/CCTEs.	3,473
The Department is responsible for liabilities arising from deeds of indemnity given to liquidators of TECs, covering the funds that they have returned to the Department as part of the dissolution process. The estimated cost to the Department is in the region of £1.4 million).	1,400
The Department is responsible for liabilities arising from deeds of indemnity given to liquidators of TECs, covering the funds that they have returned to the Department as part of the dissolution process.	1,400
Potential liability relating to European Schools Programme for teachers claiming permanency under the fixed term employee regulations.	2,190
The Government agreed to fund the cost of hosting the World Skills London 2011 event. This contingent liability represents the possibility that insufficient sponsorship revenue is obtained.	21,900
The Department is responsible for a liability to pay rent in respect of a lease in the event that the current tenant defaults. The building was originally leased for the Quality improvement Service. If the current tenant defaults there would be a cost to the Department.	2,000
The National Measurement Office is responsible for the pension liabilities of the National Physical Laboratory employees if the science contract reverts to the National Measurement Office in 2014. The current estimate is that the liability is between £8.2 million and £22.8 million.	up to £22,800
European Patent Office: the UK, as one of the contracting states, has a potential liability under Article 40 of the European Patent Convention of 1973.	Unquantifiable
World Intellectual Property Organisation: the UK, as a contracting state to the Patent Co-operation Treaty of 1970, has a potential liability under Article 57 of the Treaty.	Unquantifiable
Liabilities relating to the issue of licences to operators of satellites and other space objects.	Unquantifiable
Home Shipbuilding Credit Guarantee Scheme.	11,500
A guarantee has been given to the Financial Reporting Council that if the amount held in the Legal Costs Fund falls below £1 million in any year, an additional grant will be made to cover legal costs subsequently incurred in that year.	Unquantifiable

Any liabilities imposed by section 68, Telecommunications Act 1984.	Unquantifiable
Any liabilities imposed by section 9, British Aerospace Act 1980.	Unquantifiable
Local Network Indemnities.	3,484
Callable capital subscription for the Common Fund for Commodities.	1,960
Paid in capital subscription for the Common Fund for Commodities.	2,240
The Department has a range of civil nuclear liabilities arising through its association with the United Kingdom Atomic Energy Authority and British Nuclear Fuels Limited as well as ensuring that the Government complies with its obligations under the various international nuclear agreements and treaties.	Unquantifiable
Further Incidents/Accidents Insurance claims for exposure to ionising radiation pursued outside the existing UKAEA insurance scheme.	Unquantifiable
Outstanding claims under the Enemy Property Claim Scheme are still being considered.	Unquantifiable
There is a possibility that other liabilities exist in relation to nationalised, and former nationalised, industries that, if they crystallised, may fall to the Department.	Unquantifiable
Indemnities equivalent to those given to civil servants under the Civil Service Management Code have been given to persons appointed to the Board of the Office of Fair Trading, including the Chairman.	Unquantifiable
Indemnities given to Bankers of the Insolvency Services against certain liabilities arising in respect of non-transferable "account payee" cheques due to insolvent estates and paid into the Insolvency Service's account.	Unquantifiable
The Police Information Technology Organisation (Home Office) provides BIS with access to data from the Police National Computer (PNC). BIS has indemnified the police against any liabilities which they might incur as a result of providing that access.	Unquantifiable

#### **Non-Statutory Liabilities Charged to Resource Estimates:**

The Cabinet Secretary has provided a Government wide indemnity to Independent Public Appointment Assessors (IPAAs). This will ensure that IPAAs will not have to meet any personal civil liability incurred in the execution of their IPAA functions. BIS carries out around 200 appointments per annum which are scrutinised by IPAAs.	Unquantifiable
Post Office Limited: The department made available to Post Office Ltd, through an agreement reached on 17 October 2003, a revolving loan facility based on commercial terms of up to £1.15 billion. This is to help the company fund its working capital cash requirements in branch to the extent that they are connected with the provision of services of general economic interest. The package was agreed against the background of the migration of State benefits payments to a system of direct payment, alongside a Government commitment that benefit recipients will still be able to collect their benefit, in cash and in full, from Post Office branches. Post Office Ltd began utilising this facility on 1 December 2003. The facility matures on 31 March 2016 subject to state aid clearance.	Unquantifiable

<p>British Shipbuilders: Following a legal ruling in respect of pleural plaques claims, the House of Lords announced that compensation cannot be made on pleural plaques claims. This is the current position in England and Wales as the House of Lords judgement still stands. In Scotland, the decision of the Judicial Review of the Damages (Asbestos Related Conditions) (Scotland) Act 2009, which found against the insurers, was appealed, and the appeal heard in Summer 2010. The Scottish Parliament has indicated that they will introduce legislation to reverse the House of Lords decision on pleural plaques. The Government is also reconsidering its decision on the issue. The estimated effect of reintroducing pleural plaques cases as compensatable would be c£3.5 million each year. Pleural plaques claims in Scotland are valued at £5.8 million.</p>	Unquantifiable
<p>Enterprise Finance Guarantee commenced in 2009 and will continue in 2011/12. The exposure exists for the life of the loan, which can be up to 10 years.</p>	Up to 100,000
<p>On 27 January 2009, the Secretary of State announced support for the automotive sector, including the loan guarantees which could enable up to £2.3bn in lending to Britain's automotive manufacturers and suppliers. Under State Aid rules, guarantees must be granted before 31 December 2010 and cannot exceed 90% of the loan.</p>	Up to 2,300,000