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Departmental Report 2007

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This document is part of a series of Departmental Reports (Cm 7091 to Cm 7117) which, along with the Main Estimates 2007-08, the document *Public Expenditure Statistical Analyses 2007* and the Supplementary Budgetary Information 2007-08, present the Government's expenditure plans for 2007-08, and comparative outturn data for prior years.



# **National Savings and Investments**

## Departmental Report 2007

Presented to Parliament by the Economic Secretary to the Treasury  
By Command of Her Majesty

May 2007

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National Savings and Investments produces an Annual Report & Accounts, which provides a fuller description of the activities undertaken by the business over the preceding year. As such, the National Savings and Investments Departmental Report is positioned as the main vehicle to explain to Parliament and the public the key accountabilities, expenditure and performance against our Service Delivery Measures.



National Savings and Investments is backed by HM Treasury

## Who we are and what we do

National Savings and Investments (NS&I) is a Government Department and became an Executive Agency of the Chancellor of the Exchequer in 1996.

As an integral part of the Government's debt management arrangements, NS&I is responsible for providing cost-effective financing by issuing and selling savings and investment products to the public.

NS&I is one of the largest savings organisations in the UK, with £78 billion of investors' money at the end of February 2007 (representing 15% of the National Debt and 8.7% of the cash based deposit market) and annual cash flows in excess of £20 billion.

### Our mission

We help reduce the cost to the taxpayer of Government borrowing now and in the future. To achieve this, our single strategic objective is to provide retail funding for Government that is cost-effective in relation to funds raised on the wholesale market.

### Our vision

To be recognised as the UK's leading and most trusted savings and investments organisation.

### Our brand values

Our brand values are security, straightforwardness and integrity – delivered with a human touch. For our customers this means:

- **security:** our backing by HM Treasury is fundamental to our business and is unique in retail financial services
- **straightforwardness:** describing our products and services in easy to understand language
- **integrity:** earning the respect and trust of our customers
- **delivered with a human touch:** remembering that customers are individuals and should be treated as such. This is our most challenging and aspirational value, and is the most important one in terms of meeting customer expectations.

## How we are organised

NS&I is an Executive Agency of the Chancellor of the Exchequer.

The Chancellor of the Exchequer is responsible for:

- determining the policy and financial framework within which NS&I operates
- approving interest rates and the terms and conditions of NS&I products
- appointing the Chief Executive and Non-Executive Directors to the NS&I Board
- setting and monitoring key performance targets for NS&I.

The Chancellor delegates these responsibilities to the Economic Secretary to the Treasury (EST). The position of the EST is held by Ed Balls MP.

The Chancellor delegates management of NS&I to the Chief Executive. The Chief Executive is appointed by HM Treasury as Accounting Officer for NS&I and is accountable for:

- the NS&I resource and product accounts
- the proper, effective and efficient use of public funds
- ensuring that the requirements of Government accounting are met and that NS&I observes any general guidance issued by central departments.

Jane Platt was appointed CEO of NS&I in September 2006 and is assisted by the NS&I Board in setting corporate policy, ensuring good governance and monitoring performance.

The NS&I Board comprises the Chief Executive, Executive Directors and four Non-Executive Directors, one of whom chairs the board; plus two HM Treasury officials representing the Chancellor of the Exchequer's interest. Full board meetings are held every two months, and additional board workshops are held to discuss specific issues, such as strategy and planning. There is also a separate Audit Committee and Appointments & Remuneration Committee.

### Regulation

NS&I is also governed by specific Acts of Parliament that regulate the activities of The Director of Savings and NS&I products, specifically under the National Savings Bank Act 1971 and the National Debt Act 1972, which are shown in the table on the next page.

NS&I strives to meet both regulatory and best practice standards within the financial services industry.

NS&I subscribes to the Banking Code which provides greater transparency and improved communications with its customers. In October 2004, the Banking Code Compliance Board conducted a review and gave NS&I a 'green' status. The next formal review is in 2007-08 and NS&I conducts annual self-assessments to ensure ongoing compliance.

Although NS&I is not regulated by the Financial Services Authority (FSA), NS&I recognises the relevant legislation and aims to work in the spirit of the overall regulatory framework. Over the past 12 months the focus has been on implementing and embedding relevant working practices and ensuring closer adherence to the relevant standards set out in the FSA Handbook, and this focus will remain in place for the next 12 months.

NS&I has been Financial Ombudsman Service (FOS) compliant since September 2005.

## Products governed by the National Savings Bank Act 1971

Easy Access Savings Account	National Savings Bank Regulations 1972
Individual Savings Account	National Savings Bank Regulations 1972
Investment Account	National Savings Bank Regulations 1972
Ordinary Account	National Savings Bank Regulations 1972
Treasurers' Account	National Savings Bank Regulations 1972
British Savings Bonds	National Savings Stock Register Regulations 1976
Capital Bonds	National Savings Stock Register Regulations 1976
Children's Bonus Bonds	Savings Certificates (Children's Bonus Bonds) Regulations 1991
Deposit Bonds	National Savings Stock Register Regulations 1976
First Option Bonds	National Savings Stock Register Regulations 1976
Fixed Rate Savings Bonds	National Savings Stock Register Regulations 1976
Guaranteed Equity Bonds	National Savings Stock Register Regulations 1976
Income Bonds	National Savings Stock Register Regulations 1976
Pensioners' Guaranteed Income Bonds	National Savings Stock Register Regulations 1976
Premium Bonds	Premium Savings Bonds Regulations 1972
Save As You Earn	Savings Contracts Regulations 1969
Savings Certificates	Savings Certificates Regulations 1991
Savings Stamps	National Savings Stamps Regulations 1969
Yearly Plan	Savings Certificates (Yearly Plan) Regulations 1984

British Savings Bonds, Deposit Bonds, First Option Bonds, Gift Tokens, Save As You Earn, Savings Stamps and Yearly Plan were not on sale during the year, but some customer funds are still invested within them.

## Partnerships

NS&I employs a business model built around partnerships, while retaining overall responsibility for the strategy and business direction. This enables NS&I to concentrate on its core capabilities and maximise the use of those of its partners to continue the modernisation and development of the business, for the benefit of customers, the taxpayer, HM Treasury, suppliers and staff.

The NS&I back office operations were outsourced to Siemens<sup>1</sup> in April 1999, under a Public Private Partnership, following a competitive tendering exercise. The partnership is delivering an efficient and effective operational infrastructure through modernisation and significant system improvements. As a result, on 30 September 2004 NS&I and Siemens exercised the option to extend the partnership contract to run until 2014.

Siemens is responsible for collecting and repaying money invested by customers, maintaining customer records and dealing with correspondence and enquiries, ensuring that we deliver levels of customer service that meet standards of best practice in the retail financial sector.

Our relationship with The Post Office extends back to the origins of NS&I, when National Savings was part of The Post Office group. The Post Office remains our major distribution partner, with approximately 14,263 outlets providing a convenient face-to-face channel for our customers. The contract with The Post Office is a rolling contract with a two-year termination clause.

NS&I continues to work with other distribution partners to reduce the reliance on The Post Office as it builds competitive offerings for NS&I products.

All customers receive the same high levels of attention offered by NS&I, who retain responsibility for sales enquiries and customer service.

<sup>1</sup>Siemens Business Services changed its name to Siemens IT Services and Solutions on 1 February 2007.

## What we are aiming to achieve

As well as providing value to customers by offering competitive, totally secure savings and investments, NS&I also saves taxpayers' money. When Government spends more than it receives in income, it borrows money to finance the difference. It does this in two ways:

- by selling Gilts (marketable Government bonds) and Treasury Bills – mostly to the wholesale market, such as pension fund managers or investment companies, through the UK Debt Management Office
- selling cash savings and investment products – to the retail market, i.e. personal savers and investors, through NS&I

Money borrowed by Government is called the national debt, and paying interest on this debt accounts for a sizeable part of the Government's annual expenditure. NS&I helps to keep this expense down by providing funds at a lower overall cost than financing the same amount through Gilts and Treasury Bills.

Value Add is the name given to the way NS&I measures how cost-effective it is at raising finance for Government. The total cost of raising funds, including our operating costs and tax foregone, is compared to how much it would cost the Government to raise funds in the wholesale market.

However, in order to achieve the Value Add target NS&I must give customers a fair deal in a highly competitive market. Therefore, NS&I offers products that suit customers' needs, backed by excellent customer service.

### The Corporate Strategy

2006-07 was the penultimate year of NS&I's Direction 2007 strategy, which aimed to grow the business. In fact, Direction 2007 was achieved one year early and it was agreed with the Economic Secretary to the Treasury to develop a new strategy to replace it. There is a small residual Value Add target remaining, but this will be achieved by the first year of the new strategy.

**NS&I adding value** is the new five-year strategy, developed with involvement from senior managers across NS&I and Siemens, and has the support of the NS&I Board, HM Treasury, and the Economic Secretary to the Treasury. It covers 2007-08 through to 2011-12 and has subsequently been translated into a detailed plan for 2007-08.

**NS&I adding value** will deliver sustainable long-term value to stakeholders by simplifying, modernising and diversifying the business.

#### It will:

- deliver more than **£1.6 billion** of Value Add over five years
- deliver around **£13 billion** of Net Financing over five years
- deliver a substantially **lower** whole business unit cost, positioning the business for continued successful delivery of Value Add in the future

#### By:

- **building** the low-cost capabilities that satisfy the long-term needs and expectations of the customer
- **revitalising** the product range
- **shifting** sales and fulfilment towards low-cost channels
- **maintaining** a strong relationship with The Post Office as a distributor
- **delivering** our compliance strategy and developing a compliance culture
- **engaging** and **developing** our people and capabilities, so that we can attract and retain the best talents

The Implementation of **NS&I adding value** is focused around six strategic themes, which will be used within the corporate balanced scorecard to monitor progress against deployment. The strategic themes that support the 2007-08 business objectives are:

1. **Customer Focus** – Deliver to target customers an experience that makes them feel valued and creates a high level of loyalty and advocacy
2. **Product Mix** – Create a distinctive and straightforward product range that reduces dependence on Premium Bonds
3. **Channel Optimisation** – Shift the balance from face-to-face and paper to Internet and telephone in terms of sales, fulfilment and after-sales service
4. **Low Cost Business** – Build a sustainable low cost, integrated multi-channel business that satisfies the needs and expectations of our stakeholders
5. **Skills and Capability** – Engage and develop our people to deliver the changing business needs
6. **Compliance** – Embed a compliance culture across the business in everything that we do

The implementation of the strategy is tracked by metrics relating to both the sales and back-office operations that are embedded throughout the corporate balanced scorecard, rather than captured separately, reflecting the integrated management approach used within NS&I. NS&I uses the balanced scorecard methodology at a corporate and business unit level to ensure strategy is delivered to plan.

## What we spend our money on

Full details of NS&I's recent and forecast expenditure are set out in the annex of this report. In summary, spending from 2004-08 was as follows:

	2007-08 (estimate) £'000	2006-07 (estimate) £'000	2005-06 (Actual) £'000	2004-05 (Actual) £'000
Gross administration costs	182,340	173,931	180,415	170,442
Operating income	(5,046)	(5,400)	(5,212)	(4,678)
Net Resource Outturn	177,294	168,531	175,203	165,764
Net Cash Requirements	174,672	157,603	170,270	163,843
– PPP contract costs	100,500	102,037	107,628	99,428
– Selling agents	28,000	29,000	29,280	33,330

All income and expenditure is derived from continuing operations.

The Public Private Partnership, referred to above, has changed how NS&I spend the budget provided by Parliament. Prior to the contract with Siemens, the majority of annual costs were internal with the balance coming from other suppliers. Internal costs are now minimal, with the Siemens contract accounting for the majority of expenditure and the remaining balance with other suppliers.

NS&I has contractually committed to making annual payments to Siemens. The payments for services originally contracted reduce on a pre-agreed schedule over the life of the partnership as a result of the gains from capital investment and operational efficiency brought about by the agreement. However, there are increases in variable payments to Siemens as volumes of transactions continue to increase, as well as to cover the provision of services to NS&I which were not part of the original contract.

The modernisation that has already taken place within the operational systems and processes by Siemens, has allowed NS&I to make great strides in improving the business offering to stakeholders and offer customers a faster service, longer opening hours, one-stop enquiry services, new products and new channels through which to save and invest.

### Investment

NS&I has a small capital budget. Major capital expenditure is undertaken by Siemens. The major capital assets that are carried on the balance sheet are the three buildings at Blackpool, Durham and Glasgow, which are leased to Siemens from where it carries out the operational services functions.

## Senior Civil Service Staff

NS&I's senior civil service staff, split by salary band is summarised in the table below.

The information is as at 31 March 2007 (provisional).

Salary band <sup>1</sup>	Number of staff at at 31 March 2006	Number of staff at 31 March 2007 <sup>2</sup>
£70,000-£74,999	2	1
£75,000-£79,999	3	1
£80,000-£84,999	1	2
£85,000-£89,999		1
£90,000-£94,999	1	1
£95,000-£99,999	1	1
£100,000-£104,999		
£105,000-£109,999		2
£110,000-£114,999		
£115,000-£119,999		
£120,000-£124,999	1	
£125,000-£129,999		
£130,000-£134,999		1
£135,000-£139,999		
£140,000-£144,999		
£145,000-£149,999		
Over £150,000	1	1
<b>Total</b>	<b>10</b>	<b>11</b>

### Notes:

1. salary band information relates to gross salary, overtime, rights to London weighting or London allowances, recruitment and retention allowances, private office allowance and any other allowances to the extent that it is subject to UK taxations. It does not include bonuses paid relating to performance, which are potentially 20% of salary.
2. salary information for 2007-08 has not yet been agreed with The Cabinet Office

## How we are doing

As part of the 2004 Spending Review (SR2004), Service Delivery Measures (SDMs) were established as part of a new reporting mechanism between NS&I and HM Treasury. These measure the performance of NS&I in relation to its overall objectives. Targets are agreed annually for each of the performance measures with the Minister responsible as part of our annual planning process. These SDMs will be reviewed in 2007-08 in line with the Comprehensive Spending Review 2007.

### SR2004 SDM Targets

Our performance against the targets for 2006-2007, up to end February 2007 was as follows:

SR2004 SDM Goals	SR2004 SDM Objectives	SR2004 SDM Performance Measures	2005-07 Targets	Performance
1. To achieve the financing remit and improve efficiency	To create at least an agreed amount of Value Add	Absolute amount of delagged <sup>1</sup> Value Add from NS&I's products, excluding Index Linked Saving Certificate extension terms	At least £245 million	<b>Met</b> <ul style="list-style-type: none"> <li>• Lower than expected interest costs and higher stock levels and lower management costs have led to NS&amp;I exceeding target</li> <li>• In March 2007, the full year forecast for Value Add was £334 million</li> </ul>
	To raise an amount of net financing within an agreed range	Absolute amount of net financing from all National Savings and Investment products	£3 billion (+£900 million or -£100 million)	<b>Not met (exceeded)</b> <ul style="list-style-type: none"> <li>• Favourable market conditions and excellent retention, especially in relation to PB 50th led to NS&amp;I exceeding the target</li> <li>• In March 2007, the full year forecast for Net Financing was £5.5 billion</li> </ul>
2. To maintain the current high levels of customer satisfaction	To exceed a threshold level of customer satisfaction with NS&I	Average responses from question: "How satisfied are you overall in terms of savings and investments with NS&I"	At least 88%	<b>Not Met</b> <ul style="list-style-type: none"> <li>• A change of the supplier to conduct the customer surveys during the year inadvertently affected the results negatively</li> <li>• A detailed analysis of the results has shown that the percentage of dissatisfied customers has remained constant, but the proportion of customers who are 'neutral' has increased</li> <li>• Average for the year to February 2007 is 85.7%</li> </ul>

<sup>1</sup>Delagged Value Add is the true Value Add, whereas Lagged Value Add strips out the factors beyond the control of NS&I, ie the un-forecast interest rate rises.

SR2004 SDM Goals	SR2004 SDM Objectives	SR2004 SDM Performance Measures	2005-07 Targets	Performance
3. To maintain the current high levels of customer service	To achieve consistent accuracy in meeting increasingly challenging targets	Average performance against Accuracy Key Performance Indicator targets	At least 98.5%	<b>Met and ongoing</b> <ul style="list-style-type: none"> <li>● Siemens Performance against Accuracy KPIs remains strong</li> <li>● This target was achieved every month with an average for the year to February 2007 of 99.4 %</li> </ul>
	To achieve consistent timeliness in meeting increasingly challenging targets	Average performance against Timeliness Key Performance Indicator targets	At least 97%	<b>Met and ongoing</b> <ul style="list-style-type: none"> <li>● Siemens performance against Timeliness KPIs remains strong</li> <li>● This target was achieved every month except one (during the PB 50th campaign) with an average for the year to February 2007 of 98.5%</li> </ul>
4. To improve the effectiveness of fraud management	To minimise the proportion of fraud resulting in actual loss	Ratio of net fraud losses after blame assessment to total fraud detected	Less than 20%	<b>Met and ongoing</b> <ul style="list-style-type: none"> <li>● Fraud by its nature is unpredictable and NS&amp;I continues to maintain low levels of fraud</li> <li>● The average for the year to February 2007 is 18.2%</li> </ul>
5. Ratio of total NS&I administrative costs to average funds invested by customers	To invest in capability and continue to improve the efficiency of administering total funds	Ratio of total NS&I administrative costs to average funds invested by customers	Less than 26 basis points	<b>Met and ongoing</b> <ul style="list-style-type: none"> <li>● Our administrative costs and project costs have been below plan throughout the year, with the exception of August when the PB 50th campaign was launched requiring up-front investment</li> <li>● The ratio for the year to date as at January 2007 was 21.3 basis points</li> </ul>
6. To maintain Banking Code Compliance	To ensure compliance with the Banking Code	Self assessment of compliance checked by Banking Code Standard Board	Agreement by Banking Code Standard Board that NS&I remain compliant	<b>Met and ongoing</b> <ul style="list-style-type: none"> <li>● NS&amp;I remains compliant against the Banking Code</li> </ul>

## Business Performance

The NS&I Executive Management Team reviews business performance monthly (including performance against these targets), using the balanced scorecard methodology, as does the NS&I Board at each of its meetings.

Performance against targets is audited by Deloitte, contracted as internal auditors, and is published within NS&I's corporate reports (Annual Report and Accounts and Departmental Report), which are laid before both Houses of Parliament.

## Other information of public interest

### Public Appointments

In September 2006 Jane Platt took up the role of CEO of NS&I, taking over from Trevor Bayley who was the acting CEO following the departure of Alan Cook to The Post Office in February 2006. Since her appointment, NS&I has gained agreement to a new strategy that will see a transition from a pure growth strategy to a focus on developing sustainable Value Add. There have also been other senior appointments with Mike Chilton joining as Finance and Risk Director in January this year, following the retirement of Trevor Bayley. Following the new five-year strategy and supporting organisation design work, Peter Cornish has been appointed Director of Customer Offer and Julian Hynd has been appointed Director of Change and Strategic Support. 2007 also saw the retirement, for personal reasons, of Maria Stafford who served the organisation well as a Non-executive Director. A recruitment process for a replacement to fill this role will be completed by Summer 2007.

### Recruitment Practice

NS&I aims to promote and maintain best practice in the recruitment of staff to meet its resourcing needs, subject to the requirements of equal opportunities and employment legislation. To achieve this, NS&I has a monitoring system in place to ensure that recruitment is carried out on the basis of fair and open competition and selection on merit in accordance with the Civil Commissioners Recruitment code, and is subject to internal and external audit. NS&I also has a reciprocal audit arrangement in place with the Office of the Rail Regulator.

### Investors in People

NS&I has been recognised as an Investor in People organisation since October 1999, and achieved re-accreditation in March 2005. This accreditation remains valid for three years.

### Charter Mark

NS&I was also awarded the Charter Mark in October 2007. The Charter Mark is a prestigious public sector award that recognises NS&I and Siemens' joint commitment to providing excellent service to customers. This year NS&I achieved a 100% compliant status across all 63 categories of the Charter Mark – a factor that puts the business in the top 10%.

### Sunday Times Best 100 Companies

NS&I was awarded Star Status (1) in the Sunday Times Best 100 Companies survey.

### Civil Service Awards

At the Whitehall and Westminster World Civil Service Awards, NS&I won the category of 'HR, Learning and Development Award'.

### Financial Services Forum

NS&I was declared the winner of both the Financial Services Forum's Advertising Award for the 'Renaissance Campaign' and the Judges Special Award for Marketing. At the same Award ceremony, Tim Mack, the Head of Communications and Marketing for NS&I, was awarded Marketer of the Year.

### Institute of Financial Services

NS&I was the 'Winner of Category' for three separate areas: Best Marketing or Advertising Initiative (Traditional Media); Most Effective Delivery Channel/Channel Initiative and Most Effective Sourcing Strategy.

## Contacts and more information

We want to make it as easy as possible for you to contact us at any time in a way that is convenient for you.

### Telephone

- Call us on 0845 964 5000 from 7am to midnight seven days a week. Calls are charged at local rates. To maintain a high level of service, we may record calls.

### Internet

- Visit our website at [www.nsandi.com](http://www.nsandi.com)

### Textphone

- Use our free textphone service on 0800 056 0585 if you have Minicom equipment.

### Post

- Write to us at  
NS&I  
FREEPOST BJ2092  
Blackpool  
FY3 9YP

## Annex – core tables

**Table 1: NS&I Public Spending**
**£000s**

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 Estimated	2007-08 projected
	outturn	outturn	outturn	outturn	outturn	outturn	
<b>RESOURCE DEL</b>							
Reducing the costs to the taxpayer of government borrowing now and in the future	173,550	159,111	172,081	165,794	175,203	168,531	170,294
<b>Total National Savings and Investments</b>							
<b>Resource Budget (DEL)</b>	<b>173,550</b>	<b>159,111</b>	<b>172,081</b>	<b>165,794</b>	<b>175,203</b>	<b>168,531</b>	<b>170,294</b>
<i>of which: Near Cash</i>	170,131	155,777	168,287	161,541	171,983	164,952	165,572
<b>Total resource budget</b>	<b>173,550</b>	<b>159,111</b>	<b>172,081</b>	<b>165,794</b>	<b>175,203</b>	<b>168,531</b>	<b>170,294</b>
<i>of which: depreciation</i>	2,128	2,561	2,693	3,807	2,667	2,460	3,090
<b>Capital budget</b>							
Reducing the costs to the taxpayer of government borrowing now and in the future	122	213	1,129	137	237	95	500
<b>Total capital budget (DEL)</b>	<b>122</b>	<b>213</b>	<b>1,129</b>	<b>137</b>	<b>237</b>	<b>95</b>	<b>500</b>
<b>Total departmental spending (1)</b>							
National Savings and Investments	171,544	156,763	170,517	162,124	172,773	166,166	167,704
<b>Total departmental spending</b>	<b>171,544</b>	<b>156,763</b>	<b>170,517</b>	<b>162,124</b>	<b>172,773</b>	<b>166,166</b>	<b>167,704</b>

**Notes**

(1) The total departmental spending is the sum of the resource budget and the capital budget less depreciation. Similarly total DEL is the sum of the resource budget and capital budget DEL less depreciation.

Table 2: NS&amp;I Resource Budget

£000s

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 Estimated	2007-08 projected
	outturn	outturn	outturn	outturn	outturn	outturn	
Reducing the costs to the taxpayer of government borrowing now and in the future							
<b>RESOURCE DEL</b>	<b>173,550</b>	<b>159,111</b>	<b>172,081</b>	<b>165,794</b>	<b>175,203</b>	<b>168,531</b>	<b>170,294</b>
<i>of which:</i>							
National Savings and Investments	173,550	159,111	172,081	165,794	175,203	168,531	170,294
<b>Total Resource Budget DEL</b>	<b>173,550</b>	<b>159,111</b>	<b>172,081</b>	<b>165,794</b>	<b>175,203</b>	<b>168,531</b>	<b>170,294</b>
<i>of which:</i>							
Near Cash	170,131	155,777	168,287	161,541	171,983	164,952	165,572
<i>of which</i>							
Pay	5,281	5,907	6,155	6,711	7,497	7,630	
Procurement	164,850	149,870	162,132	154,830	164,486	157,322	152,724
Depreciation	2,128	2,561	2,693	3,807	2,667	2,460	3,090
<b>Total Resource Budget</b>	<b>173,550</b>	<b>159,111</b>	<b>172,081</b>	<b>165,794</b>	<b>175,203</b>	<b>168,531</b>	<b>170,294</b>

**Table 3: NS&I Capital Budget****£000s**

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
	outturn	outturn	outturn	outturn	outturn	Estimated outturn	projected
Reducing the costs to the taxpayer of government borrowing now and in the future							
<b>Capital DEL</b>	<b>122</b>	<b>213</b>	<b>1,129</b>	<b>137</b>	<b>237</b>	<b>95</b>	<b>500</b>
<i>of which:</i>							
National Savings and Investments	122	213	1,129	137	237	95	500
<b>Total Capital Budget DEL</b>	<b>122</b>	<b>213</b>	<b>1,129</b>	<b>137</b>	<b>237</b>	<b>95</b>	<b>500</b>
<b>Total Capital Budget</b>	<b>122</b>	<b>213</b>	<b>1,129</b>	<b>137</b>	<b>237</b>	<b>95</b>	<b>500</b>

**Table 4: NS&I Capital Employed****£000s**

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 Estimated	2007-08 projected
	outturn	outturn	outturn	outturn	outturn	outturn	
<b>Fixed Assets</b>							
Intangible	154	200	109	141	222	200	230
Tangible	28,157	28,306	29,953	24,841	25,318	26,100	27,100
<i>of which:</i>							
Land and Buildings	25,347	25,714	26,672	22,014	22,842	24,000	25,000
Plant and Machinery	2,810	2,592	3,281	2,827	2,476	2,100	2,100
Vehicles							
Investments							
<b>Current Assets</b>	13,418	10,783	11,706	10,384	12,224	11,000	11,000
Creditors < 1 year	16,756	16,117	20,612	17,833	23,161	24,000	17,000
<b>Provisions</b>	2,061	1,720	1,480	1,575	1,045	700	500
<b>Capital Employment within main department</b>	<b>22,912</b>	<b>21,452</b>	<b>19,676</b>	<b>15,958</b>	<b>13,558</b>	<b>12,600</b>	<b>20,830</b>

**Table 5: NS&I Staff Numbers**

Staff Numbers at	01 April 2002	01 April 2003	01 April 2004	01 April 2005	01 April 2006	01 April 2007
Permanent	111	111	110	123	125	129
Casuals	2	5	8	4	7	4
<b>TOTAL</b>	<b>113</b>	<b>116</b>	<b>118</b>	<b>127</b>	<b>132</b>	<b>133</b>

**Table 6: NS&I Consultancy and Professional Services****£000s**

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 Estimated outturn
	outturn	outturn	outturn	outturn	outturn	outturn
Consultancy Services	6316	4351	1616	1400	853	1145
Professional Services	90	402	495	1025	1726	2069
Legal Services	199	172	370	502	340	169
Contract Staff/Interim Managers	598	561	862	557	670	582
Other Services	608	644	721	574	977	1090
<b>TOTAL</b>	<b>7811</b>	<b>6130</b>	<b>4064</b>	<b>4058</b>	<b>4566</b>	<b>5055</b>







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