

Office of the Rail Regulator†

Introduction

1. This Estimate provides for expenditure by the Office of the Rail Regulator (ORR) on administrative, associated capital and other related costs. Further details of the expenditure covered by the Request for Resources can be found in Chapter 4 of the Department for Transport's Departmental Report 2004 (Cm 6207).
2. The ORR is responsible for the regulation of access to the railways and promotion of competition in the provision of rail services. It is also responsible for promoting efficiency and economy of those providing railway services and protecting the interests of railway service users.
3. This Estimate is subject to gross administration cost control, and covers expenditure on salaries of staff and associated general administrative expenditure.
4. ORR's expenditure is offset by income from licence fees collected from the Rail Network Provider and the Train Operating Companies. The provision sought for 2004-05 net resource requirement of £1,000 reflects the appropriation in aid of licence fee receipts to be levied by ORR.
5. Symbols are explained in the Introduction to this booklet.

† With effect from 5 July 2004 the Office of the Rail Regulator will be known as the Office of Rail Regulation.

Part I

	£
Request for Resources 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation	1,000
Total net resource requirement	1,000
Net cash requirement	1,000

Amounts required in the year ending 31 March 2005 for expenditure by the Office of the Rail Regulator on:

RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation

administration, capital expenditure and associated non-cash items

The **Office of the Rail Regulator** will account for this Estimate.†

	Net total	Allocated in Vote on Account	Balance to complete
	£	£	£
RfR 1	1,000	—	1,000
Total net resource requirement	1,000	—	1,000
Net cash requirement	1,000	—	1,000

† With effect from 5 July 2004 the Office of the Rail Regulator will be known as the Office of Rail Regulation.

Part II: Subhead detail

£'000

2004-05						2003-04 Provision	2002-03 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: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation									
14,798	-	-	14,798	14,797	1	500	-	1	445
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Administration, associated capital and other expenditure									
14,798	-	-	14,798	14,797	1	500	-	1	445
Total for Estimate:									
14,798	-	-	14,798	14,797	1	500	-	1	445

Part II: Resource to cash reconciliation

	2004-05		2003-04		2002-03		£'000
	Provision		Provision		Outturn		
Net Total Resources		1		1			445
Voted capital items							
Capital	500		500		263		
Less Non-operating A-in-A	-		-		2		
Total net voted capital		500		500			261
Accruals to cash adjustment							
Adjustments to remove non-cash items:							
Cost of Capital charges	-50		-50		42		
Depreciation	-600		-600		-502		
New provisions and adjustments to previous provisions	-25		-25		-46		
Profit/loss on sale of assets	-		-		2		
Prior period adjustments	-		-		-		
Other non-cash items	-35		-35		-28		
Increase (+) / Decrease (-) in stock	-		-		-		
Increase (+) / Decrease (-) in debtors	-		-		-		
Increase (-) / Decrease (+) in creditors	-		-		1,953		
Use of provisions	6		6		26		
Total accruals to cash adjustments		-704		-704			1,447
Excess cash to be CFERd		204		204			-
Net Cash Requirement		1		1			2,153

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):-

	2004-05		2003-04		2002-03		£'000
	Provision		Provision		Outturn		
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>	
Operating income not classified as AinA	-	-	-	-	23	-	
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	-	<i>204</i>	-	<i>204</i>	-	-	
Total	-	<i>204</i>	-	<i>204</i>	23	-	

Forecast Operating Cost Statement

	2004-05 Provision	2003-04 Provision	2002-03 Outturn	£'000
Net administration costs:				
RfR 1	1	1		422
Net programme costs:				
RfR 1	-	-	-	
Total net programme costs	-	-	-	-
Total Net Operating Cost	1	1		422
<i>of which:</i>				
Net Resource Outturn	1	1		445
CFERs	-	-		-23
Non-voted expenditure	-	-		-
Resource Budget Outturn	1	1		422

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	2004-05 Provision	2003-04 Provision	£'000 2002-03 Outturn
Net Resource Outturn (Estimates)	1	1	445
<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	-	-	-23
Other adjustments	-	-	-
Net Operating Cost (Accounts)	1	1	422
<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	-	-	-
<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)	1	1	422
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	1	1	422
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of capital expenditure between Estimates and Budgets

	2004-05 Provision	2003-04 Provision	£'000 2002-03 Outturn
Net Voted Capital Outturn (Estimates)	500	500	261
<i>Adjustments to remove:</i>			
gains / losses from sale of capital assets	-	-	2
<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)	500	500	263
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	500	500	263
Annually Managed Expenditure (AME)	-	-	-

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Rail Regulator, Mr Tom Winsor, as Accounting Officer of the Office of the Rail Regulator with responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting*.

Notes to the Main Estimate *(continued)*

Analysis of appropriations in aid (A in A)

	£'000					
	2004-05 provision		2003-04 provision		2002-03 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: To create a better railway for passengers and freight customers, and better value for public funding authorities, through independent, fair and effective regulation						
Licence Fees	14,787	—	14,797	—	13,128	—
Library services and sale of publications	10	—	—	—	—	—
Total RfR 1	14,797	—	14,797	—	13,128	—
Total A in A	14,797*	—	14,797	—	13,128	—

*Amount that may be applied as operating appropriations in aid, in addition to the net total arising from recoveries in respect of the administration of the Office of the Rail Regulator, including charges for courses, Officers loaned to other organisations; income from publications and Library services; travel costs recovered from the European community; income from recovery actions in connection with the successful outcome of Judicial Review; and receipts of Licence fees.

Notes to the Main Estimate *(continued)*

Analysis of Consolidated Fund extra receipts

	£'000					
	2004-05 provision		2003-04 provision		2002-03 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Library services and sale of publications	—	—	—	—	23	—
Excess cash receipts to be surrendered to the Consolidated Fund	—	204	—	204	—	—
Total	—	204	—	204	23	—

Notes to the Main Estimate *(continued)*

Administration cost limits and Departmental Expenditure Limits

Administration costs limits	£'000		
	Gross provision	Income	Total administration costs limit
Gross administration costs limits	14,798	-14,797	1
Net administration costs limits	—	—	—

Departmental Expenditure Limits (DEL)	£'000		
	Voted*	Non-voted	Total
Resource DEL	1		1
Capital DEL	500	—	500
Less depreciation	-600	—	-600
Total DEL	-99	—	-99

- * i. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 2 of Resource Accounting and Budgeting, as implemented in the 2002 Spending Review
- ii. Excludes EU receipts included in Estimates, but excluded in Budgets

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

The total net resource sought for 2004-05 of £1,000 is similar to the final resource provision and forecast outturn for the year 2003-04.

Cash which may be retained to offset expenditure

	£'000		
	2004-05 provision	2003-04 provision	2002-03 outturn
Cash, which may be retained 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, is:	15,297	14,797	13,128