

Postal Services Commission

Introduction

1. The Postal Services Commission (Postcomm) was established as a non-Ministerial Government Department on 6 November 2000 under the Postal Services Act 2000.
2. The token net provision sought for 2004-05 reflects the fact that receipts from Licensees are appropriated in aid rather than surrendered directly to the Consolidated Fund.
3. Symbols are explained in the Introduction to this booklet.

Part I

| | |
|--|--------------|
| | £ |
| Request for Resources 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition | 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 Postal Services Commission on:

RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition:

Administrative, operational costs and associated non cash items.

The Postal Services Commission 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 |

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: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition | | | | | | | | | |
| 10,160 | - | - | 10,160 | 10,159 | 1 | 150 | - | 2 | - |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Ensuring the provision of a universal postal service at a uniform tariff protecting consumers and promoting competition | | | | | | | | | |
| 10,160 | - | - | 10,160 | 10,159 | 1 | 150 | - | 2 | - |
| Total for Estimate: | | | | | | | | | |
| 10,160 | - | - | 10,160 | 10,159 | 1 | 150 | - | 2 | - |

Part II: Resource to cash reconciliation

| | 2004-05 | | 2003-04 | | 2002-03 | | £'000 |
|---|-----------|-------------|-----------|-------------|---------|--|-------------|
| | Provision | | Provision | | Outturn | | |
| Net Total Resources | | 1 | | 2 | | | - |
| Voted capital items | | | | | | | |
| Capital | 150 | | 540 | | 150 | | |
| Less Non-operating A-in-A | - | | - | | - | | |
| Total net voted capital | | 150 | | 540 | | | 150 |
| Accruals to cash adjustment | | | | | | | |
| Adjustments to remove non-cash items: | | | | | | | |
| Cost of Capital charges | -40 | | -45 | | -30 | | |
| Depreciation | -400 | | -455 | | -360 | | |
| New provisions and adjustments to previous provisions | - | | - | | - | | |
| Profit/loss on sale of assets | - | | - | | - | | |
| Prior period adjustments | - | | - | | - | | |
| Other non-cash items | - | | - | | - | | |
| Increase (+) / Decrease (-) in stock | - | | - | | - | | |
| Increase (+) / Decrease (-) in debtors | - | | - | | - | | |
| Increase (-) / Decrease (+) in creditors | - | | - | | - | | |
| Use of provisions | - | | - | | - | | |
| Total accruals to cash adjustments | | -440 | | -500 | | | -390 |
| Excess cash to be CFERd | | 290 | | - | | | 241 |
| Net Cash Requirement | | 1 | | 42 | | | 1 |

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 | - | - | - | - | - | - | |
| 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>290</i> | - | - | - | <i>241</i> | |
| Total | - | <i>290</i> | - | - | - | <i>241</i> | |

Forecast Operating Cost Statement

| | 2004-05 Provision | 2003-04 Provision | 2002-03 Outturn | £'000 |
|----------------------------------|----------------------|----------------------|--------------------|-------|
| Net administration costs: | | | | |
| RfR 1 | 1 | 2 | | 5,610 |
| Net programme costs: | | | | |
| RfR 1 | - | - | -5,610 | |
| Total net programme costs | - | - | -5,610 | |
| Total Net Operating Cost | 1 | 2 | | - |
| <i>of which:</i> | | | | |
| Net Resource Outturn | 1 | 2 | | - |
| CFERs | - | - | | - |
| Non-voted expenditure | - | - | | - |
| Resource Budget Outturn | 1 | 2 | | - |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2004-05 Provision | 2003-04 Provision | 2002-03 Outturn |
| Net Resource Outturn (Estimates) | 1 | 2 | - |
| <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 | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 1 | 2 | - |
| <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 | 2 | - |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1 | 2 | - |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2004-05 Provision | 2003-04 Provision | 2002-03 Outturn |
| Net Voted Capital Outturn (Estimates) | 150 | 540 | 150 |
| <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) | 150 | 540 | 150 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 150 | 540 | 150 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Chief Executive of the Commission, Martin Stanley, as Accounting Officer of the Department 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 | | | | | |
|--|------------------------|-----------------------------|------------------------|-----------------------------|----------------------|-----------------------------|
| | 2004-2005 provision | | 2003-2004 provision | | 2002-2003 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: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition | | | | | | |
| Income from postal operators | 10,159 | — | 8,642 | — | 5,840 | — |
| Total RfR 1 | 10,159* | — | 8,624 | — | 5,840 | — |

*Amount that may be applied as appropriation in aid in addition to the net total arising from income from postal operators.

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|----------------------|------------|----------------------|----------|--------------------|------------|
| | 2004-05 provision | | 2003-04 provision | | 2002-03 outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Excess cash received from postal operators | — | 290 | — | — | — | 241 |
| Total | — | 290 | — | — | — | 241 |

Notes to the Main Estimate (*continued*)

Administration costs limits and Departmental Expenditure Limits

Administration costs limits £'000

| | Gross provision | Income | Total administration costs limit |
|-----------------------------------|--------------------|---------|--|
| Gross administration costs limits | 10,160 | -10,159 | 1 |

Departmental Expenditure Limits (DEL) £'000

| | Voted* | Non-voted | Total |
|-------------------|--------|-----------|-------|
| Resource DEL | 1 | — | 1 |
| Capital DEL | 150 | — | 150 |
| Less depreciation | -400 | — | -400 |
| Total DEL | -249 | — | -249 |

* i Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as Part of Capital DEL, understage 2 of Resource Accounting and Budgeting, as implemented under 2002 Spending Review

ii Excludes EU receipts included in Estimates, but excluded in Budgets

iii The removal of depreciation from the Total DEL figure is to prevent a double-counting of capital consumption (since capital DEL already includes capital spending, so to also include the depreciation of those assets would be misleading and would include capital twice). However, because the department covers most DEL spending through negative DEL receipts the removal of the depreciation figure results in a negative Total DEL number. For spending control purposes it is the individual resource and capital DEL numbers that apply.

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 £1,000 less than the final provision and forecast outturn for 2003-04 of £2,000.

Notes to the Main Estimate (*continued*)

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

| | 2004-05 provision | 2003-04 provision | 2002-03 outturn |
|--|------------------------------|------------------------------|----------------------------|
| | 10,159 | 8,642 | 5,840 |