

Government Actuary's Department

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Providing an actuarial consultancy service

Decreases:

Transfer to other Government Departments

Machinery of Government transfer to the Office of National Statistics totalling £78,000 (all resource expenditure) -78,000

To meet the recommendation of the "Morris Review of the Actuarial Profession" to transfer the demography function from the Government Actuary's Department to the Office of National Statistics

Neutral Changes:

Increased spending offset by income

Administration Costs

To increase gross spending by £930,000 operational costs matched by a similar increase in Appropriations in Aid 0

Total change in resources for Estimate -78,000

2. As a result of the above and associated non-cash adjustments, there is a decrease in the net cash requirement of £78,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Providing an actuarial consultancy service	†	-78,000
Total additional net resource requirement		-78,000
Additional net cash requirement	†	-78,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Government Actuary's Department on:

RfR 1: Providing an actuarial consultancy service

administration costs incurred in providing an actuarial consultancy service to Government and to other clients principally in the public sector, advising mainly on social security and pension schemes, statistical studies and supervision of insurance and other associated non-cash items.

The **Government Actuary's Department** will account for this Estimate.

† The demography function was transferred to the Office of National Statistics on 31st January 2006. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) for RfR1, the net resource requirement is reduced by £ 78,000,
- b) for the Estimate as a whole, the net cash requirement is reduced by £ 78,000.

Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Providing an actuarial consultancy service

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 1 - A Administration	1,127	852	930	-78	1,049
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Total RfR 1		852	930	-78	
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Total Changes to RfRs		852	930	-78	
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£000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	238	-	238
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Non-Operating A in A	-	-	-
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Net cash requirement	807	-78	729
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Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Providing an actuarial consultancy service								
11,618	-	-	11,618	10,569	1,049	238	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
11,618	-	-	11,618	10,569	1,049	238	-	
Total for Estimate:								
11,618	-	-	11,618	10,569	1,049	238	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	£'000 <u>Revised</u>
Net total Resources	1,127	-78	1,049
Voted capital items			
Capital expenditure	238	-	238
<i>Less:</i> non-operating A in A	<u>-</u>	<u>-</u>	<u>-</u>
Total net voted capital	238	-	238
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-108	-	-108
Depreciation	-422	-	-422
New provisions and adjustments to previous provisions	-1	-	-1
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-36	-	-36
Increase(+)/decrease(-) in stock	-	-	-
Increase(+)/decrease(-) in debtors	-	-	-
Increase(-)/decrease(+) in creditors	-	-	-
Use of provisions	<u>9</u>	<u>-</u>	<u>9</u>
Total accruals to cash adjustments	-558	-	-558
Excess cash to be CFERd	-	-	-
Net cash requirement	807	-78	729

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
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Net Administration Costs		
	RfR 1	<u>728</u>
Total Net Administration Costs		728
Net Programme Costs		
	RfR 1	<u>-</u>
Total net programme costs		-
Total Net Operating Cost		728
<i>of which:</i>		
	Net Resource Outturn	1,049
	CFERs	-
	Non-voted expenditure	-
Resource Budget Outturn		728
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Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	1,049
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Reduction to reflect underspending and Gershon savings	-321
Net Operating Costs (Accounts)	728
<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)	728
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	728
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	238
<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	200
Capital Budget Outturn (Budget)	438
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	438
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the 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 Chris Daykin, permanent head of department

Chris Daykin, the Accounting Officer (AO) of the Government Actuary's Department, has personal responsibility for the proper presentation of the Government Actuary's Department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO, as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Government Actuary's Department.

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 Government Actuary's Department's policies, aims and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	Non operating
	Operating A in A	operating A in A
RfR 1: Providing an actuarial consultancy service		
Fees and charges to other Government Departments	5,419	-
Fees and charges to the wider public service	5,150	-
Total RfR 1	10,569 *	- **
<i>of which: Administration budgets</i>	-	-
** Amount that may be applied as appropriation in aid in addition to the net total, arising from: receipts for payments for actuarial, internal audit, accommodation and facilities management, financial/payroll and IT services.		
Total A in A	10,569	-
<i>of which: Administration Budgets</i>	-	-

Notes to the Estimate

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Government Actuary's Department Departmental Expenditure Limit (DEL) will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-399	728	-	728
<i>of which : Administration Budget</i>	-399	728	-	728
Capital DEL	200	438	-	438
Less depreciation*	-	-422	-	-422
Total DEL	-199	744	-	744

* Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

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	10,569