

# Office of Rail Regulation

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## Introduction

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

	Amount £
<b>RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation</b>	
<b><u>Changes in resources</u></b>	
<b>Increases:</b>	
<u>Transfer from other Government Department</u>	500,000
£500K resource expenditure required, to be funded from DfT in association with the merger of ORR and the Rail Safety element of the Health and Safty Executive, arising from the Railway Act 2005.	
<b>Total change in resources for RfR1</b>	<b>500,000</b>
  
2. As a result of the above and associated non-cash adjustments, there is no change to the net cash requirement of £6,097,000.
  
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

**RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation** 500,000

Total additional net resource requirement 500,000

**Additional net cash requirement** -

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SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Office of Rail Regulation 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 and associated non-cash items

The Office of Rail Regulation will account for this Estimate.

## Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
<b>RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR 1 - B Rail Safety Transition	2,000	500	-	500	2,500
<b>Total RfR 1</b>		<b>500</b>	<b>-</b>	<b>500</b>	
<b>Total Changes to RfRs</b>		<b>500</b>	<b>-</b>	<b>500</b>	

	Present Provision	Change in Provision	£000 New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	4,800	-	4,800
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>6,097</b>	<b>-</b>	<b>6,097</b>

**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	
<b>RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation</b>								
16,501	-	-	16,501	16,500	1	4,800	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration, associated capital and other expenditure								
16,501	-	-	16,501	16,500	1	500	-	
B Rail Safety Transition								
2,500	-	-	2,500	-	2,500	4,300	-	
<b>Total for Estimate:</b>								
19,001	-	-	19,001	16,500	2,501	4,800	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>Revised</u>	£'000
<b>Net total Resources</b>	<b>2,001</b>	<b>500</b>	<b>2,501</b>	
<b>Voted capital items</b>				
Capital expenditure	4,800	-	4,800	
<i>Less: non-operating A in A</i>	<u>-</u>	<u>-</u>	<u>-</u>	
<b>Total net voted capital</b>	<b>4,800</b>	<b>-</b>	<b>4,800</b>	
<b>Accruals to cash adjustment</b>				
Adjustments to remove non-cash items:				
Cost of Capital charges	-50	-	-50	
Depreciation	-600	-	-600	
New provisions and adjustments to previous provisions	-25	-	-25	
Profit/loss on sale of assets	-	-	-	
Prior period adjustments	-	-	-	
Other non-cash items	-35	-500	-535	
Increase(+)/decrease(-) in stock	-	-	-	
Increase(+)/decrease(-) in debtors	-	-	-	
Increase(-)/decrease(+) in creditors	-	-	-	
Use of provisions	<u>6</u>	<u>-</u>	<u>6</u>	
Total accruals to cash adjustments	-704	-500	-1,204	
<b>Excess cash to be CFERd</b>	-	-	-	
<b>Net cash requirement</b>	<b>6,097</b>	<b>-</b>	<b>6,097</b>	

## Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	<u>Present provision</u>		<u>New provision</u>		£'000
	<b>Income</b>	<b><i>Receipts</i></b>	<b>Income</b>	<b><i>Receipts</i></b>	
Operating income not classified as A in A	-	-	-	-	
Non-operating income not classified as A in A	-	-	-	-	
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	
Excess receipts to be surrendered to the Consolidated Fund	-	<i>204</i>	-	-	
<b>Total</b>	<u>-</u>	<u><i>204</i></u>	<u>-</u>	<u>-</u>	

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
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<b>Net Administration Costs</b>		
	RfR 1	<u>2,501</u>
<b>Total Net Administration Costs</b>		<b>2,501</b>
<b>Net Programme Costs</b>		
	RfR 1	<u>-</u>
<b>Total net programme costs</b>		-
<b>Total Net Operating Cost</b>		<b>2,501</b>
<i>of which:</i>		
	Net Resource Outturn	2,501
	CFERs	-
	Non-voted expenditure	-
<b>Resource Budget Outturn</b>		<b>2,501</b>
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## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>2,501</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>2,501</b>
<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	-
<b>Resource Budget Outturn (Budget)</b>	<b>2,501</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2,501
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>4,800</b>
<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	-
<b>Capital Budget Outturn (Budget)</b>	<b>4,800</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,800
Annually Managed Expenditure (AME)	-

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## Notes to the Estimate

### Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Request for Resources within this Estimate.

**Request for Resources 1**      Bill Emery, Office of Rail Regulation

Bill Emery, the Accounting Officer (AO) of the Office for Rail Regulation, has personal responsibility for the proper presentation of the Office for National Statistics' 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 Office for Rail Regulation.

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 Office for National Statistics' 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	
	Operating A in A	Non- operating A in A
<b>RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation</b>		
Licence fees	16,500	-
<b>Total RfR 1</b>	<b>16,500 *</b>	<b>- **</b>
<i>of which: Administration budgets</i>	-	-
** Amount that may be applied as appropriations in aid in addition to the net total, arising from: recoveries in respect of the administration of the Office of Rail Regulation including charges for courses, officers loaned to other organisations; income from publications and library service; 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.		
<b>Total A in A</b>	<b>16,500</b>	<b>-</b>

## Notes to the Estimate

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Office for National Statistics' Department Departmental Expenditure Limit (DEL) will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	500	2,501	-	2,501
<i>of which : Administration Budget</i>	500	2,501	-	2,501
Capital DEL	-	4,800	-	4,800
Less depreciation *	-	-600	-	-600
<b>Total DEL</b>	500	6,701	-	6,701

\* 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	16,500