

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 £61,000 resource expenditure -61,000

To meet the recommendation of the "Morris Review of the Actuarial Profession" to transfer the occupational pensions scheme survey function from the Government Actuary's department to the Office of National Statistics

Total change in resources for RfR1 -61,000

Total change in resources for Estimate -61,000

Changes in capital

Machinery of Government transfer to the Office of National Statistics totalling £10,000 in relation to the transfer of the occupational pension scheme survey function.

Total change in capital for Estimate -10,000

2. As a result of the above and non-cash adjustments, there is a decrease in the net cash requirement of £ 71,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Providing an actuarial consultancy service	†	-61,000
Total additional net resource requirement		-61,000
Additional net cash requirement	†	-71,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 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, population and other statistical studies and supervision of insurance and associated non-cash items.

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

† The Occupational Pension Scheme Survey function was transferred to the Office of National Statistics on 30 September 2006.

Within the overall changes sought to this Estimate, the specific changes relating to this machinery of government transfer are:

- a) for RfR1, the net resource requirement is reduced by £61,000; and
- b) capital is reduced by £ 10,000; and
- c) the net cash requirement is reduced by £71,000.

Part II: 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)

RfR 1 - A Administration	679	-61	-	-61	618
Total RfR 1		-61	-	-61	
Total Changes to RfRs		-61	-	-61	

£000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	238	-10	228
Non-Operating A in A	-	-	-
Net cash requirement	357	-71	286

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								
12,465	-	-	12,465	11,847	618	228	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
12,465	-	-	12,465	11,847	618	228	-	
Total for Estimate:								
12,465	-	-	12,465	11,847	618	228	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	679	-61	618
Voted capital items			
Capital	238	-10	228
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	238	-10	228
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	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-37	-	-37
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	7	-	7
Total accruals to cash adjustments	-560	-	-560
Excess cash to be CFERd	-	-	-
Net Cash Requirement	357	-71	286

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	618
Total Net Administration Costs	618
Net Programme Costs	
RfR1	-
Total Net Programme costs	-
Total Net Operating Cost	618
<i>of which:</i>	
Net Resource Requirement	618
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	618

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	618
<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 Costs (Accounts)	618
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
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 (Budget)	618
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	618
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	228
<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	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	228
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	228
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 appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Chris Daykin, Permanent Head of Department

Chris Daykin as the Accounting Officer of the Government Actuary's Department has personal responsibility for the proper presentation of the 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, 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 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 the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)
Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
	<hr/>
RfR 1: Providing an actuarial consultancy service	
Administration	11,847
<i>of which:</i>	
Sale of goods and services	11,847
<hr/> Total RfR1	<hr/> 11,847 †
† Amount that may be applied as appropriation in aid in addition to the net total, arising from: receipts for payments of actuarial, internal audit, accommodation and facilities management services, financial, payroll and IT services.	
<hr/> Total Operating A in A	<hr/> 11,847

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-61	-	618	-	618
<i>of which:</i>					
<i>Administration budget*</i>	-61	-	618	-	618
<i>Near-cash in RDEL</i>	-61	-	51	7	58
Capital**	-10	-	228	-	228
Less Depreciation†	-	-	-422	-	-422
Total	-71	-	424	-	424

* The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†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

11,847

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