

# Department of Trade and Industry: UKAEA pension schemes

## Introduction

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

Amount £

### Changes in resources

#### **RfR 1: Effective management of UKAEA pension schemes**

##### **Increases:**

	Annually Managed Expenditure	
1	Programme costs	9,105,000
	RfR1: subhead B2	
	Revised forecast of current service cost liability	
2	Programme costs	1,819,000
	RfR1: subhead B5	
	Revised forecast of income relating to transfers into the pension scheme	
	<b>Total change in resources for RfR1</b>	<b>10,924,000</b>

2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £4,428,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

---

<b>RfR 1: Effective management of UKAEA pension schemes</b>	<b>10,924,000</b>
Total additional net resource requirement	10,924,000
<b>Additional net cash requirement</b>	<b>4,428,000</b>

---

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Department of Trade and Industry on:

**RfR 1: Effective management of UKAEA pension schemes**

Payment of pensions etc., to members of the United Kingdom Atomic Energy Authority pension schemes and the related expenditure and associated non-cash items.

The Department of Trade and Industry will account for this Estimate.

## Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Effective management of UKAEA pension schemes</b>					
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - B Payments of pensions, transfer values and repayments of contributions	263,521	9,105	-1,819	10,924	274,445
<b>Total RfR 1</b>		<b>9,105</b>	<b>-1,819</b>	<b>10,924</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>132,120</b>	<b>4,428</b>	<b>136,548</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: Effective management of UKAEA pension schemes</b>								
-	635,481	-	635,481	28,974	606,507	-	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Payments of pensions, transfer values and repayments of contributions								
-	62	-	62	-	62	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central government spending</i>								
B Payments of pensions, transfer values and repayments of contributions								
-	303,419	-	303,419	28,974	274,445	-	-	
<b>Non-budget</b>								
C Payments of pensions, transfer values and repayments of contributions								
-	332,000	-	332,000	-	332,000	-	-	
<b>Total for Estimate:</b>								
-	635,481	-	635,481	28,974	606,507	-	-	

**Part II: Resource to cash reconciliation**

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>595,583</b>	<b>10,924</b>	<b>606,507</b>
<b>Voted capital items</b>			
Capital expenditure	-	-	-
<i>Less: non-operating A in A</i>	-	-	-
<b>Total net voted capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-626,314	-9,105	-635,419
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-62	-	-62
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	162,913	2,609	165,522
<b>Total accruals to cash adjustments</b>	<b>-463,463</b>	<b>-6,496</b>	<b>-469,959</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>132,120</b>	<b>4,428</b>	<b>136,548</b>

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

As in existing provision

## Forecast Combined Revenue Account

	£'000
	2005-06 provision
<b>Net programme costs, Request for Resources 1</b>	
Income	
Contributions received	22,974
Transfers in	6,000
Other income receivable	-
	<u>28,974</u>
Expenditure	
Increase in liability	106,000
Interest on scheme liability	197,419
Other expenditure	62
Change in discount rate	332,000
	<u>635,481</u>
<b>Total Net Programme costs</b>	<u><b>606,507</b></u>
<b>Total Net Operating Cost</b>	<b>606,507</b>
<i>of which:</i>	
<b>Net Resource Outturn</b>	<b>606,507</b>
CFERs	-
Non-voted expenditure	-
<b>Resource Budget Outturn</b>	<b>274,507</b>

## Notes to the Estimate

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

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>606,507</b>
<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 (CFERS) in the OCS	-
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>606,507</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	-332,000
<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>274,507</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	62
Annually Managed Expenditure (AME)	274,445

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>-</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>-</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
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.

<b>Request for Resources 1</b>	Brian Bender, Permanent Head of the Department of Trade and Industry
--------------------------------	--

Brian Bender, as the Principal Accounting Officer (PAO) of the Department of Trade and Industry has personal responsibility for the proper presentation of the UKAEA pension schemes' resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the United Kingdom Atomic Energy Authority's pension schemes.

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 UKAEA pension schemes' policies, aims, and objectives; and should regularly review the effectiveness of that system.

## Notes to the Estimate (*continued*)

### Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Effective management of UKAEA pension schemes</b>		
Income from UKAEA employees' contributions	22,928	-
Income from UKAEA employers' contributions	46	-
Income from transfers in	6,000	-
<b>Total RfR 1</b>	<b>28,974 *</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 receipts for employers' and employees' contributions and transfer values received.

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the UKAEA Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-	62	-	62
<i>of which :Administration Budget</i>	-	-	-	-
Capital	-	-	-	-
Depreciation*	-	-	-	-
Total	-	62	-	62

\*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	28,974