

Office of Gas and Electricity Markets

Introduction

This Supplementary Estimate is required for the following purposes:

£			
Changes in budgets, non-budget voted provision and cash	Increases	Reductions	Total
Movement of provisions into RDEL, which are being offset within the RDEL budget.	700,000		
Total change in Resource AME (Voted)	700,000		700,000
Increase in the net cash requirement reflects an increase in debtors (timing difference between accrual and receipt of income in respect of environmental schemes and projects)			
Total change in Net cash requirement			10,000,000

Part I

	Voted	Non-Voted	Total
Departmental Expenditure Limit			
Resource	-	-	-
Capital	-	-	-
Annually Managed Expenditure			
Resource	700,000	-	700,000
Capital	-	-	-
Total Net Budget			
Resource	700,000	-	700,000
Capital	-	-	-
Non-Budget Expenditure	-		
Net cash requirement	10,000,000		

Supplementary amounts required in the year ending 31 March 2012 for expenditure by Office of Gas and Electricity Markets on:

Departmental Expenditure Limit:Expenditure arising from:

administrative and operational costs; payments to other government departments; co-operation with international regulators; services to other government organisations; administration of energy efficiency, offshore transmission and other environmental schemes; regulation of and participation in the Smart Meter programme; depreciation and other non-cash items in DEL.

Income arising from:

gas and electricity licence fees; receipts in respect of the administration of the Offshore Tender regime and Fossil Fuel Levy; income from fees and charges levied under the Gas Act 1986 and the Electricity Act 1989, as amended by the Utilities Act 2000; receipts in respect of letting, disposal, vacation or occupation of accommodation; income from services to other government organisations; and other cost recovery receipts.

Annually Managed Expenditure:Expenditure arising from:

provisions and other non-cash items in AME.

Office of Gas and Electricity Markets will account for this Estimate.

Part II: Changes Proposed

						£'000		
Present		Net Resources Changes		Revised		Present	Net Capital Changes	Revised
Admin	Prog	Admin	Prog	Admin	Prog	7	8	9
1	2	3	4	5	6			
Spending in Annually Managed Expenditure (AME)								
Voted expenditure								
-	-700	-	700	-	-	-	-	-
<i>Of which:</i>								
<i>Provisions</i>								
-	-700	-	700	-	-	-	-	-
Total Spending in AME								
		-	700				-	
Total for Estimate								
		-	700				-	
<i>Of which:</i>								
Voted expenditure								
		-	700				-	
Non-voted expenditure								
		-	-				-	

£'000

	Present Plans	Changes	Revised Plans
Net cash requirement	7,101	10,000	17,101

Part II: Revised subhead detail including additional provision**£'000**

Revised Plans								
Resources						Capital		
Gross	Administration	Net	Gross	Programme	Net	Gross	Income	Net
1	Income	3	4	Income	6	7	8	9
Spending in Departmental Expenditure Limits (DEL)								
Voted expenditure								
72,046	-71,345	701	-	-	-	1,000	-50	950
<i>Of which:</i>								
A Gas and Electricity Markets Authority : Administration								
26,587	-26,586	1	-	-	-	1,000	-50	950
B Ofgem E-Serve : Administration								
45,459	-44,759	700	-	-	-	-	-	-
Total Spending in DEL								
72,046	-71,345	701	-	-	-	1,000	-50	950
Spending in Annually Managed Expenditure (AME)								
Voted expenditure								
-	-	-	-	-	-	-	-	-
<i>Of which:</i>								
<i>Provisions</i>								
-	-	-	-	-	-	-	-	-
Total Spending in AME								
-	-	-	-	-	-	-	-	-
Total for Estimate								
72,046	-71,345	701	-	-	-	1,000	-50	950
<i>Of which:</i>								
Voted expenditure								
72,046	-71,345	701	-	-	-	1,000	-50	950
Non-voted expenditure								
-	-	-	-	-	-	-	-	-

Part II: Resource to cash reconciliation

£'000

	Present Plans	Changes	Revised Plans
Net Resource Requirement	1	700	701
Net Capital Requirement	950	-	950
Accruals to cash adjustments	6,150	9,300	15,450
<i>Of which:</i>			
<i>Adjustments to remove non-cash items:</i>			
Depreciation	-1,200	-	-1,200
New provisions and adjustments to previous provisions	-	-	-
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-50	-	-50
<i>Adjustment for NDPBs:</i>			
Remove voted resource and capital	-	-	-
Add cash grant-in-aid	-	-	-
<i>Adjustments to reflect movements in working balances:</i>			
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	3,000	9,300	12,300
Increase (-) / Decrease (+) in creditors	3,700	-	3,700
Use of provisions	700	-	700
Removal of non-voted budget items	-	-	-
<i>Of which:</i>			
Consolidated Fund Standing Services	-	-	-
Other adjustments	-	-	-
Net Cash Requirement	7,101	10,000	17,101

Part III: Note A - Forecast Operating Cost Statement & Reconciliation Table

	£'000
	Revised Plans
Gross Administration Costs	72,046
<i>Less:</i>	
Administration DEL Income	-71,345
Net Administration Costs	701
Gross Programme Costs	-
<i>Less:</i>	
Programme DEL Income	-
Programme AME Income	-
Non-budget income	-
Net Programme Costs	-
Total Net Operating Costs	701
<i>Of which:</i>	
Resource DEL	701
Capital DEL	-
Resource AME	-
Capital AME	-
Non-budget	-
<i>Adjustments to include:</i>	
Departmental Unallocated Provision (resource)	-
Consolidated Fund Extra Receipts in the budget but not in the OCS	-
<i>Adjustments to remove:</i>	
Capital in the OCS	-
Non-Budget Consolidated Fund Extra Receipts in the OCS	-
Other adjustments	-
Total Resource Budget	701
<i>Of which:</i>	
Resource DEL	701
Resource AME	-
<i>Adjustments to remove:</i>	
Consolidated Fund Extra Receipts in the resource budget	-
Other adjustments	-
Total Resource (Estimate)	701

Part III: Note B - Analysis of Departmental Income

	£'000
	Revised Plans
Voted Resource DEL	-71,345
<i>Of which:</i>	
Administration	
Sale of goods and services	-44,759
<i>Of which:</i>	
Section B: Ofgem E-Serve : Administration	-44,759
Regulatory licences, fines, penalties And taxes	-26,586
<i>Of which:</i>	
Section A: Gas and Electricity Markets Authority : Administration	-26,586
Total Voted Resource Income	-71,345
Voted Capital DEL	-50
<i>Of which:</i>	
Administration	
Sale of assets	-50
<i>Of which:</i>	
Section A: Gas and Electricity Markets Authority : Administration	-50
Total Voted Capital Income	-50

Part III: Note C - Analysis of Consolidated Fund Extra Receipts

No CFER income or receipts are expected in 2011-12.

Part III: Note D - Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following individuals are responsible for the expenditure within this Estimate:

Accounting Officer	Alistair Buchanan
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Alistair Buchanan has personal responsibility for the proper presentation of the department's resource accounts and their transmission to the Comptroller & Auditor General, and is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities, particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the Financial Reporting Manual (FRM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for regularity and propriety of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are also set out in Chapter 3 of *Managing Public Money*.

