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# Department of Energy and Climate Change

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## Introduction

1. This Estimate covers the planned budgetary expenditure of the Department of Energy and Climate Change (including its associated Non Departmental Public Bodies: the Nuclear Decommissioning Authority (NDA), including the Site Licence Companies who are accountable to the NDA through arms length commercial contracts; the Coal Authority; the Civil Nuclear Police Authority; the Committee on Climate Change).
2. A number of international subscriptions in excess of £1 million are borne by this Estimate. These are listed in the Notes to the Estimate.

**Part I**

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	Voted	Non-Voted	Total
<b>Departmental Expenditure Limit</b>			
Resource †	2,117,975,000	-733,851,000	1,384,124,000
Capital	2,239,965,000	-55,000,000	2,184,965,000
<b>Annually Managed Expenditure</b>			
Resource	496,742,000	-	496,742,000
Capital	-45,000,000	-	-45,000,000
<b>Total Net Budget</b>			
Resource	2,614,717,000	-733,851,000	1,880,866,000
Capital	2,194,965,000	-55,000,000	2,139,965,000
<b>Non-Budget Expenditure</b>		-	
<b>Net cash requirement</b>	<b>4,472,452,000</b>		

Amounts required in the year ending 31 March 2014 for expenditure by Department of Energy and Climate Change on:

**Departmental Expenditure Limit:**Expenditure arising from:

Respond to fuel poverty needs;  
measures to improve energy efficiency, security and environmental practice.

Support for energy-related activities including regulation, civil emergency planning, energy resilience measures, environmental remediation and support and facilitation for new and sustainable or more efficient, or less carbon intensive energy sources, technologies, transmission and storage, security and non-proliferation.

Work towards international agreement on climate change;  
promote and support actions to reduce national and global greenhouse gas emissions;  
climate modelling and risk assessment.

Safety, environment and social impact programmes relating to nuclear sites in Central and Eastern Europe and the former Soviet Union and other countries where future G8 Global Partnership related initiatives may be pursued;  
inspections and compliance in accordance with EU regulatory requirements and recovery of expenditure through cost sharing arrangements;

subscriptions and contributions to international organisations and fulfilment of international treaty obligations.

Efficient discharge of liabilities falling to the Department, including nuclear waste management and decommissioning and for former coal industry employees.

Specialist support services, staff management and development; other departmental administration and non-cash costs; exchange risk and other guarantee losses; publicity, promotion, publications, knowledge sharing initiatives and departmental research and development; surveys, monitoring, statistics, advice and consultancies; contributions to fund cross government initiatives; payments to HM Treasury towards the cost of Infrastructure UK.

Grants to Local Authorities.

Expenditure by the Nuclear Decommissioning Authority and its subsidiaries, Coal Authority, Civil Nuclear Police Authority, Committee on Climate Change, Carbon Trust, and Energy Savings Trust.

Income arising from:

Receipts from other Government Departments and devolved administrations; the repayment of loans and investments; repayment of capital grants; government carbon offsetting scheme receipts; receipts relating to the oil and gas industries (including petroleum licensing); Project Camelot Levy Receipts; income relating to legal services, consultancy, publications, public enquiries, information, secondments, departmental administration costs, central services, rental income and repayments; occupancy charge; administrative and professional services; EU receipts; the sale of surplus land and buildings; refund of input VAT not claimed in previous years on departmental expenditure; interest payments; non-cash income.

Receipts relating to the Nuclear Decommissioning Authority.

**Annually Managed Expenditure:**

Expenditure arising from:

Efficient discharge of liabilities falling to the Department, including nuclear waste management and decommissioning and for former coal industry employees.

Expenditure by the Nuclear Decommissioning Authority, Coal Authority, Civil Nuclear Police Authority and Committee on Climate Change.

Renewable Heat Incentive including Renewable Heat Premium Payments.

Energy levy-funded expenditure including Renewables Obligation, Feed-In Tariffs and Warm Home Discount (Social Price Support).

Income arising from:

income relating to repayment and recoveries of compensation and legal costs, distribution of surpluses from coal industry pension schemes and coal privatisation receipts.

refund of input VAT not claimed in previous years on departmental expenditure; interest payments; non-cash income.

Income from Energy levies including Renewables Obligation, Feed-In Tariffs and Warm Home Discount (Social Price Support).

Receipts relating to the Nuclear Decommissioning Authority.

**Department of Energy and Climate Change** will account for this Estimate.

	Voted Total	Allocated in Vote on Account	Balance to complete or surrender
<b>£</b>			
<b>Departmental Expenditure Limit</b>			
Resource	2,117,975,000	961,030,000	<b>1,156,945,000</b>
Capital	2,239,965,000	880,524,000	<b>1,359,441,000</b>
<b>Annually Managed Expenditure</b>			
Resource	496,742,000	195,301,000	<b>301,441,000</b>
Capital	-45,000,000	-	<b>-45,000,000</b>
<b>Non-Budget Expenditure</b>	-	-	-
<b>Net cash requirement</b>	<b>4,472,452,000</b>	<b>1,850,997,000</b>	<b>2,621,455,000</b>

† Expenditure totalling £11,485,000 under sections B and E is subject to the passage of the Energy Bill, which has passed second reading in the House of Commons. The provision sought will not be used for the service or for any purpose until the enabling legislation has been enacted.

£11,431,000 has been advanced from the Contingencies Fund to provide cash in respect of £11,431,000 resource DEL spending supporting the new service provided for under sections B and E of this Estimate. A corresponding cash amount is required to enable repayment to be made to the Fund by December 2013.

## Part II: Subhead detail

£'000

2013-14 Plans						2012-13 Provisions				
Resources						Capital			Resources	Capital
Administration			Programme			Gross	Income	Net	Net	Net
Gross	Income	Net	Gross	Income	Net					
1	2	3	4	5	6	7	8	9	10	11
<b>Spending in Departmental Expenditure Limits (DEL)</b>										
<b>Voted expenditure</b>										
192,045	-2,285	189,760	1,940,846	-12,631	1,928,215	2,275,965	-36,000	2,239,965	2,026,682	2,153,894
<i>Of which:</i>										
A Save energy with the Green Deal and support vulnerable consumers										
-	-	-	60,848	-	60,848	176,000	-36,000	140,000	75,370	89,273
B Deliver secure energy on the way to a low carbon energy future										
-	-	-	81,436	-12,631	68,805	77,345	-	77,345	59,586	48,275
C Drive ambitious action on climate change at home and abroad										
-	-	-	8,420	-	8,420	400,000	-	400,000	36,015	190,000
D Manage our energy legacy responsibly and cost-effectively										
-	-	-	334,295	-	334,295	6,225	-	6,225	338,628	6,600
E Deliver the capability DECC needs to achieve its goals										
136,015	-2,285	133,730	20,691	-	20,691	7,695	-	7,695	129,889	31,696
F NDA and SLC expenditure (NDPB)										
48,000	-	48,000	1,408,263	-	1,408,263	1,601,000	-	1,601,000	1,353,621	1,784,000
G Coal Authority (NDPB) (net)										
4,442	-	4,442	26,893	-	26,893	7,700	-	7,700	30,164	3,550
H Committee on Climate Change (NDPB) (net)										
3,588	-	3,588	-	-	-	-	-	-	3,409	-
<i>Civil Nuclear Police Authority (NDPB) (net)</i>										
-	-	-	-	-	-	-	-	-	-	500
<b>Non-voted expenditure</b>										
-200	-	-200	-4,651	-729,000	-733,651	-	-55,000	-55,000	-835,000	-57,000
<i>Of which:</i>										
I Nuclear Decommissioning Authority Income (CFER)										
-	-	-	-	-729,000	-729,000	-	-55,000	-55,000	-835,000	-57,000
J Electricity Market Reform										
-200	-	-200	-4,651	-	-4,651	-	-	-	-	-
<b>Total Spending in DEL</b>										
191,845	-2,285	189,560	1,936,195	-741,631	1,194,564	2,275,965	-91,000	2,184,965	1,191,682	2,096,894
<b>Spending in Annually Managed Expenditure (AME)</b>										
<b>Voted expenditure</b>										
-	-	-	3,680,742	-3,184,000	496,742	5,000	-50,000	-45,000	8,182,927	91,462
<i>Of which:</i>										
K Manage our energy legacy responsibly and cost-effectively										
-	-	-	-232,293	-	-232,293	-	-50,000	-50,000	1,065,351	33,462
L Nuclear Decommissioning Authority (NDPB)										
-	-	-	597,000	-	597,000	-	-	-	6,834,000	-

## Part II: Subhead detail

£'000

2013-14 Plans									2012-13 Provisions		
Resources						Capital			Resources	Capital	
Administration			Programme								
Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	Net	Net	
1	2	3	4	5	6	7	8	9	10	11	
M Coal Authority (NDPB) (net)	-	-	5,972	-	5,972	-	-	-	174,000	-	
N Civil Nuclear Police Authority (NDPB) (net)	-	-	63	-	63	-	-	-	62	-	
O Renewables Obligation	-	-	2,615,000	-2,615,000	-	-	-	-	-	-	
P Feed-in Tariffs	-	-	269,000	-269,000	-	-	-	-	-	-	
Q Warm Homes Discount	-	-	300,000	-300,000	-	-	-	-	-	-	
R Renewable Heat Incentive	-	-	126,000	-	126,000	5,000	-	5,000	108,000	25,000	
<i>Save energy with the Green Deal and support vulnerable consumers</i>	-	-	-	-	-	-	-	-	1,514	33,000	
<b>Total Spending in AME</b>	-	-	<b>3,680,742</b>	<b>-3,184,000</b>	<b>496,742</b>	<b>5,000</b>	<b>-50,000</b>	<b>-45,000</b>	<b>8,182,927</b>	<b>91,462</b>	
<b>Total for Estimate</b>	<b>191,845</b>	<b>-2,285</b>	<b>189,560</b>	<b>5,616,937</b>	<b>-3,925,631</b>	<b>1,691,306</b>	<b>2,280,965</b>	<b>-141,000</b>	<b>2,139,965</b>	<b>9,374,609</b>	<b>2,188,356</b>
<i>Of which:</i>											
<b>Voted Expenditure</b>											
192,045	-2,285	189,760	5,621,588	-3,196,631	2,424,957	2,280,965	-86,000	2,194,965	10,209,609	2,245,356	
<b>Non Voted Expenditure</b>											
-200	-	-200	-4,651	-729,000	-733,651	-	-55,000	-55,000	-835,000	-57,000	

## Part II: Resource to cash reconciliation

£'000

	2013-14 Plans	2012-13 Provisions	2011-12 Outturn
<b>Net Resource Requirement</b>	<b>1,880,866</b>	<b>9,374,609</b>	<b>4,899,332</b>
<b>Net Capital Requirement</b>	<b>2,139,965</b>	<b>2,188,356</b>	<b>1,396,680</b>
<b>Accruals to cash adjustments</b>	<b>-337,230</b>	<b>-8,038,480</b>	<b>-3,968,237</b>
<i>Of which:</i>			
<i>Adjustments to remove non-cash items:</i>			
Depreciation	-3,917	-929,556	-7,389
New provisions and adjustments to previous provisions	-64,140	-435,202	-236,222
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-	-1,514	12,161
<i>Adjustment for NDPBs:</i>			
Remove voted resource and capital	-3,702,921	-10,183,306	-6,794,358
Add cash grant-in-aid	3,091,105	3,176,613	2,730,559
<i>Adjustments to reflect movements in working balances:</i>			
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	342,643	334,485	327,012
<b>Removal of non-voted budget items</b>	<b>788,851</b>	<b>892,000</b>	<b>1,224,216</b>
<i>Of which:</i>			
Consolidated Fund Standing Services	-	-	-
Other adjustments	788,851	892,000	1,224,216
<b>Net Cash Requirement</b>	<b>4,472,452</b>	<b>4,416,485</b>	<b>3,551,991</b>

## Part III: Note A - Statement of Comprehensive Net Expenditure & Reconciliation Table

£'000

	2013-14 Plans	2012-13 Provisions	2011-12 Outturn
Gross Administration Costs	191,845	177,322	161,776
<i>Less:</i>			
Administration DEL Income	-2,285	-1,802	-4,412
<b>Net Administration Costs</b>	<b>189,560</b>	<b>175,520</b>	<b>157,364</b>
Gross Programme Costs	6,281,507	10,461,742	6,044,205
<i>Less:</i>			
Programme DEL Income	-741,631	-852,549	-999,947
Programme AME Income	-3,184,000	-	-6,705
Non-budget income	-	-	-1,223
<b>Net Programme Costs</b>	<b>2,355,876</b>	<b>9,609,193</b>	<b>5,036,330</b>
<b>Total Net Operating Costs</b>	<b>2,545,436</b>	<b>9,784,713</b>	<b>5,193,694</b>
<i>Of which:</i>			
Resource DEL	1,067,938	870,356	851,738
Capital DEL	659,570	385,104	287,265
Resource AME	812,928	8,504,253	4,047,594
Capital AME	5,000	25,000	8,320
Non-budget	-	-	-1,223
<i>Adjustments to include:</i>			
Departmental Unallocated Provision (resource)	-	-	-
Consolidated Fund Extra Receipts in the budget but not in the SoCNE	-	-	-
<i>Adjustments to remove:</i>			
Capital in the SoCNE	-664,570	-410,104	-295,585
Grants to devolved administrations	-	-	-
Non-Budget Consolidated Fund Extra Receipts in the SoCNE	-	-	1,223
Other adjustments	-	-	-
<b>Total Resource Budget</b>	<b>1,880,866</b>	<b>9,374,609</b>	<b>4,899,332</b>
<i>Of which:</i>			
Resource DEL	1,384,124	1,191,682	1,156,994
Resource AME	496,742	8,182,927	3,742,338
<i>Adjustments to include:</i>			
Grants to devolved administrations	-	-	-
Prior period adjustments	-	-	-
<i>Adjustments to remove:</i>			
Consolidated Fund Extra Receipts in the resource budget	-729,000	-835,000	-971,504
Other adjustments	729,000	835,000	971,504
<b>Total Resource (Estimate)</b>	<b>1,880,866</b>	<b>9,374,609</b>	<b>4,899,332</b>



## Part III: Note B - Analysis of Departmental Income

£'000

	2013-14 Plans	2012-13 Provision	2011-12 Outturn
<b>Voted Resource DEL</b>	<b>-14,916</b>	<b>-19,351</b>	<b>-30,006</b>
<i>Of which:</i>			
Administration			
Sales of Goods and Services	-1,076	-590	-2,937
<i>Of which:</i>			
E Deliver the capability DECC needs to achieve its goals	-1,076	-590	-2,937
Other Grants	-1,209	-1,212	-
<i>Of which:</i>			
E Deliver the capability DECC needs to achieve its goals	-1,209	-1,212	-
Other Income	-	-	-41
<i>Of which:</i>			
E Deliver the capability DECC needs to achieve its goals	-	-	-41
Total Administration	-2,285	-1,802	-2,978
Programme			
Sales of Goods and Services	-12,631	-17,549	-11,877
<i>Of which:</i>			
B Deliver secure energy on the way to a low carbon energy future	-12,631	-13,217	-7,350
C Drive ambitious action on climate change at home and abroad	-	-4,332	-7
E Deliver the capability DECC needs to achieve its goals	-	-	-4,520
Other Grants	-	-	-3,187
<i>Of which:</i>			
A Save energy with the Green Deal and support vulnerable consumers	-	-	-360
C Drive ambitious action on climate change at home and abroad	-	-	-2,737
D Manage our energy legacy responsibly and cost-effectively	-	-	-90
Other Income	-	-	-11,964
<i>Of which:</i>			
D Manage our energy legacy responsibly and cost-effectively	-	-	-11,964
Total Programme	-12,631	-17,549	-27,028
<b>Voted Resource AME</b>	<b>-3,184,000</b>	<b>-</b>	<b>-5,705</b>
<i>Of which:</i>			
Programme			
Other Income	-	-	-5,705
<i>Of which:</i>			
Save energy with the Green Deal and support vulnerable consumers	-	-	-5,705
Taxation	-3,184,000	-	-
<i>Of which:</i>			
O Renewables Obligation	-2,615,000	-	-
P Feed-in Tariffs	-269,000	-	-
Q Warm Homes Discount	-300,000	-	-
Total Programme	-3,184,000	-	-5,705
<b>Total Voted Resource Income</b>	<b>-3,198,916</b>	<b>-19,351</b>	<b>-35,711</b>

## Part III: Note B - Analysis of Departmental Income

£'000

	2013-14 Plans	2012-13 Provision	2011-12 Outturn
<b>Voted Capital DEL</b>	<b>-36,000</b>	<b>-36,000</b>	<b>-48,206</b>
<i>Of which:</i>			
Programme			
Other Grants	-	-	-2,849
<i>Of which:</i>			
A Save energy with the Green Deal and support vulnerable consumers	-	-	-2,804
E Deliver the capability DECC needs to achieve its goals	-	-	-45
Repayments	-36,000	-36,000	-45,357
<i>Of which:</i>			
A Save energy with the Green Deal and support vulnerable consumers	-36,000	-36,000	-45,357
Total Programme	<u>-36,000</u>	<u>-36,000</u>	<u>-48,206</u>
<b>Voted Capital AME</b>	<b>-50,000</b>	<b>-50,000</b>	<b>-77,800</b>
<i>Of which:</i>			
Programme			
Other Income	-	-	-47,000
<i>Of which:</i>			
K Manage our energy legacy responsibly and cost-effectively	-	-	-47,000
Repayments	-50,000	-50,000	-30,800
<i>Of which:</i>			
K Manage our energy legacy responsibly and cost-effectively	-50,000	-50,000	-30,800
Total Programme	<u>-50,000</u>	<u>-50,000</u>	<u>-77,800</u>
<b>Total Voted Capital Income</b>	<b><u>-86,000</u></b>	<b><u>-86,000</u></b>	<b><u>-126,006</u></b>

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

In addition to income retained by the Department the following income is payable to the Consolidated Fund:

£'000

	2013-14 Plans		2012-13 Provisions		2011-12 Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Income in budgets surrendered to the Consolidated Fund (resource)	-729,000	-729,000	-835,000	-835,000	-971,504	-971,504
Income in budgets surrendered to the Consolidated Fund (capital)	-55,000	-55,000	-57,000	-57,000	-252,712	-252,712
Non-budget amounts collectable on behalf of the Consolidated Fund (in the SoCNE)	-	-	-	-	-1,223	-1,223
<b>Total</b>	<b>-784,000</b>	<b>-784,000</b>	<b>-892,000</b>	<b>-892,000</b>	<b>-1,225,439</b>	<b>-1,225,439</b>

### Detailed description of CFER sources

£'000

	2013-14 Plans		2012-13 Provisions		2011-12 Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
<b>Resource DEL</b>						
Nuclear Decommissioning Authority	-729,000	-729,000	-835,000	-835,000	-971,504	-971,504
<b>Capital DEL</b>						
Nuclear Decommissioning Authority	-55,000	-55,000	-57,000	-57,000	-251,712	-251,712
<b>Capital AME</b>						
Coal Privatisation Receipts	-	-	-	-	-1,000	-1,000
<b>Non-Budget</b>						
Receipts from the Coal Authority	-	-	-	-	-1,223	-1,223
<b>Total</b>	<b>-784,000</b>	<b>-784,000</b>	<b>-892,000</b>	<b>-892,000</b>	<b>-1,225,439</b>	<b>-1,225,439</b>

## 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:** Stephen Lovegrove

In accordance with Chapter 3 of Managing Public Money (issued by the Treasury), the following individuals are NDPB Accounting Officer appointments:

### NDPB Accounting Officers:

John Clarke	Nuclear Decommissioning Authority
Philip Lawrence	Coal Authority
Mike Griffiths	Civil Nuclear Police Authority
David Kennedy	Committee on Climate Change

### Site Licence Company Accountability:

The Site Licence Companies are accountable to the Nuclear Decommissioning Authority

Stephen Lovegrove 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.

In accordance with Managing Public Money requirements, the relationship between the Principal Accounting Officer and Additional Accounting Officer(s), and with their Ministers, together with their respective responsibilities, is set out in writing. Similarly, the relationship between the Principal/Additional Accounting Officer and the NDPB Accounting Officer(s) is set out in writing.

## Part III: Note E - Non-Departmental Public Bodies

£'000

Section in Part II: Subhead Detail	Body	Resources	Capital	Grant-in-aid
F & L	Nuclear Decommissioning Authority †	1,006,000	74,000	3,057,263
F	Site Licence Companies	1,047,263	1,527,000	-
G & M	Coal Authority	37,307	7,700	30,269
N	Civil Nuclear Police Authority	63	-	-
H	Committee on Climate Change	3,588	-	3,573
<b>Total</b>		<b>2,094,221</b>	<b>1,608,700</b>	<b>3,091,105</b>

† Grant-in-aid is paid to the Nuclear Decommissioning Authority which finances both the Nuclear Decommissioning Authority and the Site Licence Companies.

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## Part III: Note G - Expenditure resting on the sole authority of the Supply and Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Supply and Appropriation Act

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<b>Section in Part II: Subhead Detail</b>	<b>Service</b>	<b>£'000</b>
A4-DEL	Energy Company Obligation Brokerage	200
C4-DEL	International Energy, and Climate Change: international subscriptions	5,225
D4-DEL	Non-proliferation, and Nuclear Energy: international subscriptions	23,672
E4-DEL	Fuel Drivers Resilience	4,600

## Part III: Note K - Contingent Liabilities

Nature of liability	£'000
As at 31 March 2012 the following liabilities fell to be met from the Department's Estimate:-	
Statutory Indemnities	
– Indemnity in respect of National Grid Company's liabilities re: the interconnector linking the UK and France;	Unquantifiable
Indemnities to Directors	
– Nuclear Liabilities Fund – Secretary of State Trustee Indemnities: Indemnities have been given to the three Trustees of the NLF appointed by the Secretary of State. These indemnities are against personal liability following any legal action against the Fund.	Unquantifiable
– Nuclear Liabilities Fund – British Energy Trustee Back Up Indemnities: Given to the two BE appointed Trustees of the Nuclear Liabilities Fund. These indemnities are against personal liability following any legal action against the Fund. These indemnities can only be used following failed recourse to an indemnity given by British Energy.	Unquantifiable
Other	
– Statutory liability for third party claims in excess of the operator's liability in the event of a nuclear accident in the UK.	Unquantifiable
– Quality Assurance for Combined Heat and Power contractors wrongly assessing a scheme	Unquantifiable
– High Activity Sealed Sources (HASS) Directive: Council Directive 2003/122/EURATOM on the control of high-activity sealed radioactive sources and orphan sources. Liability for costs of retrieving and disposing of sealed radioactive sources in the event that a company keeping such sources becomes insolvent.	Unquantifiable
– Radioactive contaminated land remediation: under section 9 of The Radioactive Contaminated Land (Modification of Enactments) (England) (Amendment) Regulations 2007 SI 2007/3245 the Secretary of State is deemed to be the appropriate person to bear responsibility for remediation of land contaminated by a nuclear occurrence under the part 2A contaminated land regime.	Unquantifiable
– Energy Research Partnership: an indemnity for loss or damage caused to other Parties to the consortium agreement.	Unquantifiable
– EU Emissions Trading Scheme: Member States are required to appoint a Single Auction Monitor to oversee the auctioning of allowances in Phase III. the Joint Procurement Agreement for the Single Auction Monitor (JPA) provides for Member States to indemnify the Commission should the Commission be required to compensate a third party or another Member State for damages which arise in connection with the JPA e.g. as a result of failure to comply or if a challenge were brought in response to a decision taken by one of the Committees formed under the Agreement.	Unquantifiable
– Coal Industry Act 1994: Responsibility for compensation claims relating to personal injuries suffered by former British Coal mineworkers transferred to the Department on 1 January 1998 by a restructuring scheme under the Coal Industry Act 1994. The timing and amounts of any liability are uncertain, depending on the nature of any injury and whether the courts decide that compensation is due.	Unquantifiable

## Part III: Note K - Contingent Liabilities

Nature of liability	£'000
<p>– Deed Relating to the British Coal Staff Superannuation Scheme under Paragraph 2(9) of Schedule 5 to the Coal Industry Act 1994 and Deed Relating to the Mineworkers' Pension Scheme under Paragraph 2(9) of Schedule 5 to the Coal Industry Act 1994: Government Guarantees were put in place on 31 October 1994, the day the Schemes were changed to reflect the impact of the privatisation of the coal industry. They are legally binding contracts between the Trustees and the Secretary of State for Energy and Climate Change. The Guarantees ensure that the benefits earned by Scheme members during their employment with British Coal, and any benefit improvements from surpluses which were awarded prior to 31 October 1994, will always be paid and will be increased each year in line with the Retail Prices Index. The 1994 arrangements provided for the following notional sub-funds to be established within each overall fund: Guaranteed Fund; Bonus Augmentation Fund; Guarantor's Fund; and Investment Reserve.</p>	Unquantifiable
<p>– Site restoration liabilities inherited from British Coal: The Department has inherited liabilities from British Coal to reimburse certain third parties with the costs necessary to meet statutory environmental standards in the restoration of particular coal-related sites. In addition to specific claims already provided for it remains possible that the Department will be held responsible for further environmental liabilities. The timing and amounts of any liability are uncertain.</p>	Unquantifiable
<p>– Other: There are a number of potential liabilities to the Department in respect of claims from suppliers and employees, which depend on actual or potential proceedings. The timing and amounts of any liability are uncertain.</p>	Unquantifiable
<p>– Inventories: At 31 March 2012 the NDA held inventories of reprocessed uranic material. These materials are currently held at nil value, due to uncertainty over their future use.</p>	Unquantifiable
<p>– Pension Schemes - Deficits: Whilst not the lead employer, the NDA is the lead organisation and has ultimate responsibility for certain nuclear industry pension schemes, including the Combined Nuclear Pension Plan, the Magnox section of the ESPS, and the GPS pension scheme. Provisions for known deficits are included within NDA Nuclear Provisions, however, movements in financial markets may adversely impact the actuarial valuations of the schemes, resulting in an increase in scheme deficits</p>	Unquantifiable
<p>– Indemnities: The NDA has non-quantifiable contingent liabilities arising from indemnities given as part of the contracts for the management of the Low Level Waste Repository, Sellafield and Dounreay. These indemnities are in respect of the uninsurable residual risk that courts in a country which is not party to the Paris and Brussels Conventions on third party liability in the field of nuclear energy may accept jurisdiction to determine liability in the event of a nuclear incident. These are not treated as contingent liabilities within the meaning of IAS 37 since the possibility of a transfer of economic benefit in settlement is considered too remote.</p>	Unquantifiable



## Part III: Note K - Contingent Liabilities

Nature of liability	£'000
<p>– Subsidence Damage liabilities: Licensees of mining operations are required to provide security to the Coal Authority to cover the future costs of settling subsidence damage liabilities within their Areas of Responsibility. Outside the Areas of Responsibility of the holders of licences under Part II of the 1994 Act, the Authority is responsible for making good subsidence damage. Where an Area of Responsibility is extinguished the Authority would become responsible for the discharge of outstanding subsidence liabilities. The Authority also has an ongoing liability to secure and keep secured most abandoned coal mines. (In all cases the liability for operating collieries is the responsibility of the licensees/lessees and security is held to address those liabilities.) Both of the above liabilities have been provided for within the Coal Authority Public Safety and Subsidence provision based on analysis of trends and claims experience. However it is possible that significant, unexpected events outside of this provision may materialise.</p>	Unquantifiable
<p>– Restructuring Scheme: Where liabilities transferred under the various Coal Authority Restructuring Schemes (CARS) have crystallised due to planning conditions, agreements, claims etc, provision has been made. It has not, however, been possible to quantify contingent liabilities that may arise out of indemnities or warranties that may materialise in the future.</p>	Unquantifiable
<p>– Legal claims: The Coal Authority is subject to various claims and legal actions in the ordinary course of its activities, for which provision is made in the accounts, where appropriate, on the basis of information available</p>	Unquantifiable
<p>– Legal claims: The CNPA has a number of potential liabilities in respect of claims from employees, which depend on actual or potential proceedings. The timing and amounts of any payment are uncertain.</p>	Unquantifiable

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## Part III: Note L - International Subscriptions

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<b>Section in Part II: Subhead Detail</b>	<b>Body</b>	<b>£'000</b>
D4-DEL	International Atomic Energy Agency	19,767
D4-DEL	Organisation for the Prohibition of Chemical Weapons	3,905
C4-DEL	UN Framework Convention on Climate Change	2,500
C4-DEL	International Energy Agency	1,250
C4-DEL	International Renewable Energy Agency	1,000