

Office of Gas and Electricity Markets

Introduction

This Supplementary Estimate is required for the following purposes:

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Changes in budgets, non-budget voted provision and cash	Increases	Reductions	Total
(Section A Gas and Electricity Markets Authority : Administration) To provide budget cover for the use of licence fee income received from industry in previous financial years.	4,600,000		
Total change in Resource DEL (Voted)	4,600,000		4,600,000
Revisions to the net cash requirement reflect not only the changes to resources as set out above, but also changes to working balances.	10,866,000		
Total change in Net Cash Requirement	10,866,000		10,866,000

Part I

£

	Voted	Non-Voted	Total
Departmental Expenditure Limit			
Resource	4,600,000	-	4,600,000
Capital	-	-	-
Annually Managed Expenditure			
Resource	-	-	-
Capital	-	-	-
Total Net Budget			
Resource	4,600,000	-	4,600,000
Capital	-	-	-
Non-Budget Expenditure	-		
Net cash requirement	10,866,000		

Supplementary amounts required in the year ending 31 March 2013 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 and energy related organisations; administration of energy efficiency, offshore transmission and other environmental schemes; regulation of and participation in the Smart Meter programme; adjustments to provisions; 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 and energy related organisations; and other cost recovery receipts.

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 Departmental Expenditure Limits (DEL)								
Voted Expenditure								
700	-	4,600	-	5,300	-	1,490	-	1,490
<i>Of which:</i>								
A Gas and Electricity Markets Authority: Administration								
-	-	4,600	-	4,600	-	1,490	-	1,490
Total Spending in DEL								
		4,600	-					
Total for Estimate								
		4,600	-					
<i>Of which:</i>								
Voted Expenditure								
		4,600	-					
Non Voted Expenditure								
		-	-					

£'000

	Present Plans	Changes	Revised Plans
Net Cash Requirement	6,135	10,866	17,001

Part II: Revised subhead detail including additional provision

£'000

Revised Plans								
Resources						Capital		
Administration			Programme					
Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
1	2	3	4	5	6	7	8	9
Spending in Departmental Expenditure Limits (DEL)								
Voted expenditure								
82,247	-76,947	5,300	-	-	-	1,500	-10	1,490
<i>Of which:</i>								
A Gas and Electricity Markets Authority: Administration								
59,913	-55,313	4,600	-	-	-	1,500	-10	1,490
B Ofgem E-Serve: Administration								
22,334	-21,634	700	-	-	-	-	-	-
Total Spending in DEL								
82,247	-76,947	5,300	-	-	-	1,500	-10	1,490
Total for Estimate								
82,247	-76,947	5,300	-	-	-	1,500	-10	1,490
<i>Of which:</i>								
Voted Expenditure								
82,247	-76,947	5,300	-	-	-	1,500	-10	1,490
Non Voted Expenditure								
-	-	-	-	-	-	-	-	-

Part II: Resource to cash reconciliation

£'000

	Present Plans	Changes	Revised Plans
Net Resource Requirement	700	4,600	5,300
Net Capital Requirement	1,490	-	1,490
Accruals to cash adjustments	3,945	6,266	10,211
<i>Of which:</i>			
<i>Adjustments to remove non-cash items:</i>			
Depreciation	-1,400	-	-1,400
New provisions and adjustments to previous provisions	-	-1,900	-1,900
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-55	-	-55
<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	5,000	1,832	6,832
Increase (-) / Decrease (+) in creditors	-	6,584	6,584
Use of provisions	400	-250	150
Removal of non-voted budget items	-	-	-
<i>Of which:</i>			
Consolidated Fund Standing Services	-	-	-
Other adjustments	-	-	-
Net Cash Requirement	6,135	10,866	17,001

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

	£'000
	Revised Plans
Gross Administration Costs	82,247
<i>Less:</i>	
Administration DEL Income	-76,947
Net Administration Costs	5,300
Gross Programme Costs	-
<i>Less:</i>	
Programme DEL Income	-
Programme AME Income	-
Non-budget income	-
Net Programme Costs	-
Total Net Operating Costs	5,300
<i>Of which:</i>	
Resource DEL	5,300
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 SoCNE	-
<i>Adjustments to remove:</i>	
Capital in the SoCNE	-
Non-Budget Consolidated Fund Extra Receipts in the SoCNE	-
Other adjustments	-
Total Resource Budget	5,300
<i>Of which:</i>	
Resource DEL	5,300
Resource AME	-
<i>Adjustments to include:</i>	
Prior period adjustments	-
<i>Adjustments to remove:</i>	
Consolidated Fund Extra Receipts in the resource budget	-
Other adjustments	-
Total Resource (Estimate)	5,300

Part III: Note B - Analysis of Departmental Income

£'000

	Revised Plans
Voted Resource DEL	-76,947
<i>Of which:</i>	
Administration	
Sales of Goods and Services	-21,634
<i>Of which:</i>	
B Ofgem E-Serve: Administration	-21,634
Taxation	-55,313
<i>Of which:</i>	
A Gas and Electricity Markets Authority: Administration	-55,313
Total Administration	<u>-76,947</u>
Total Voted Resource Income	<u>-76,947</u>
Voted Capital DEL	-10
<i>Of which:</i>	
Programme	
Sales of Assets	-10
<i>Of which:</i>	
A Gas and Electricity Markets Authority: Administration	-10
Total Programme	<u>-10</u>
Total Voted Capital Income	<u>-10</u>

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

No CFER income or receipts are expected in 2012-13.

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

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.

