
Office of Rail Regulation

Introduction

1. This Estimate provides for expenditure by the Office of Rail Regulation (ORR) on administrative, associated capital and other related costs. Further details of the expenditure covered by the request for resources can be found in chapter 4 of the Department for Transport's Departmental report 2005 (Cm 6527).
2. The ORR is responsible for the regulation of access to the railways and promotion of competition in the provision of rail services. It is also responsible for promoting efficiency and economy of those providing railway services and protecting the interests of railway service users. The Railways Act 2005 has also given ORR powers to assume responsibility for Rail Safety.
3. ORR's expenditure is offset by income from licence fees collected from the Rail Network Provider and the Train Operating Companies. The provision sought for 2005-06 of a net resource requirement of £1,000 reflects the appropriation in aid of licence fee receipts to be levied by ORR.
4. Symbols are explained in the Introduction to this booklet.

Part I

	£
Request for Resource 1: To create a better railway for passengers and freight, and better value for public funding authorities though independent, fair and effective regulation	1,000
Total net resource requirement	1,000
Net cash requirement	1,000

Amounts required in the year ending 31 March 2006 for expenditure by the Office of Rail Regulation on:

RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities though independent, fair and effective regulation

Administration, capital expenditure for activities including economic, safety and competition regulation and associated non-cash items

The **Office of Rail Regulation** will account for this Estimate.

	Net total	Allocated in Vote on Account	Balance to complete
	£	£	£
RfR 1	1,000	—	1,000
Total net resource requirement	1,000	—	1,000
Net cash requirement	1,000	—	1,000

Part II: Subhead detail

£'000

2005-06						2004-05 Provision	2003-04 Outturn		
Resources						Capital		Net Total Resources	Net Total Resources
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- operating A in A		
1	2	3	4	5	6	7	8	9	10
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation									
16,501	-	-	16,501	16,500	1	500	-	1	2
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Administration, associated capital and other expenditure									
16,501	-	-	16,501	16,500	1	500	-	1	2
Total for Estimate:									
16,501	-	-	16,501	16,500	1	500	-	1	2

Part II: Resource to cash reconciliation

				£'000
	2005-06		2004-05	2003-04
	Provision		Provision	Outturn
Net Total Resources		1		1
				2
Voted capital items				
Capital	500		500	339
Less Non-operating A-in-A	-		-	-
Total net voted capital		500		339
Accruals to cash adjustment				
Adjustments to remove non-cash items:				
Cost of Capital charges	-50		-50	7
Depreciation	-600		-600	-350
New provisions and adjustments to previous provisions	-25		-25	-173
Profit (+) / loss (-) on sale of assets	-		-	-
Prior period adjustments	-		-	-
Other non-cash items	-35		-35	-28
Increase (+) / Decrease (-) in stock	-		-	-
Increase (+) / Decrease (-) in debtors	-		-	-648
Increase (-) / Decrease (+) in creditors	-		-	1,184
Use of provisions	6		6	31
Total accruals to cash adjustments		-704		-704
				23
Excess cash to be CFERd		204		204
				1,123
Net Cash Requirement		1		1
				1,487

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):-

	£'000					
	2005-06		2004-05		2003-04	
	Provision		Provision		Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	-	-	-	-	-	-
Non-operating income not classified as AinA	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	<i>204</i>	-	<i>204</i>	-	<i>1,123</i>
Total	-	<i>204</i>	-	<i>204</i>	-	<i>1,123</i>

Forecast Operating Cost Statement

	£'000		
	2005-06 Provision	2004-05 Provision	2003-04 Outturn
Net administration costs:			
RfR 1	1	1	2
Net programme costs:			
RfR 1	-	-	-
Total net programme costs	-	-	-
Total Net Operating Cost	1	1	2
<i>of which:</i>			
Net Resource Outturn	1	1	2
CFERs	-	-	-
Non-voted expenditure	-	-	-
Resource Budget Outturn	1	1	2

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2005-06	2004-05	2003-04
	Provision	Provision	Outturn
Net Resource Outturn (Estimates)	1	1	2
<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 Cost (Accounts)	1	1	2
<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	-	-	-
<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 Outturn (Budget)	1	1	2
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	1	1	2
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2005-06	2004-05	2003-04
	Provision	Provision	Outturn
Net Voted Capital Outturn (Estimates)	500	500	339
<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	-	-	-
Capital Budget Outturn (Budget)	500	500	339
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	500	500	339
Annually Managed Expenditure (AME)	-	-	-

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resources within this Estimate.

Request for Resources 1: Keith Webb, Office of Rail Regulation

Keith Webb, as the Principal Accounting Officer (PAO) of the Office of Rail Regulation has personal responsibility for the proper presentation of the Office of Rail Regulation's 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 Office of Rail Regulation.

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 Office of Rail Regulation's policies, aims and objectives; and should regularly review the effectiveness of that system.

Notes to the Main Estimate *(continued)*

Analysis of appropriations in aid (A in A)

	£'000					
	2005-06 provision		2004-05 provision		2003-04 outturn	
	Operating A in A	Non- operating A in A	Operating A in A	Non- operating A in A	Operating A in A	Non- operating A in A
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities though independent, fair and effective regulation						
Licence Fees	16,500	—	14,787	—	14,797	—
Library services and sale of publications	—	—	10	—	—	—
Total RfR 1	16,500*	—	14,797	—	14,797	—
<i>of which: Administration Budgets</i>	—	—	—	—	—	—

*Amount that may be applied as appropriations in aid in addition to the net total, arising from recoveries in respect of the administration of the Office of Rail Regulation including charges for courses, officers loaned to other organisations; income from publications and Library service; travel costs recovered from the European community; income from recovery actions in connection with the successful outcome of Judicial review; and receipts of licence fees.

Notes to the Main Estimate *(continued)*

Analysis of Consolidated Fund Extra Receipts (CFERs)

	£'000					
	2005-06 provision		2004-05 provision		2003-04 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Excess cash receipts to be surrendered to the Consolidated Fund Φ	—	204	—	204	—	1,123
Total	—	204	—	204	—	1,123

Notes to the Main Estimate *(continued)*

Departmental Expenditure Limits and Administration Budgets

£'000

Details of 2005-06 Departmental Expenditure Limits (DEL) and Administration budget limits

	Voted*	Non-voted	Total
Resource DEL	1	—	1
<i>of which: Administration Budgets</i>	<i>1</i>	—	<i>1</i>
Capital DEL**	500	—	500
Less depreciation†	–600	—	–600
Total DEL	–99	—	–99

* Excludes EU receipts included in Estimates, but excluded in Budgets.

** Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 2 of Resource Accounting and Budgeting, as implemented in the 2002 Spending Review.

† 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. However, because the department covers resource DEL spending through negative DEL receipts the removal of the depreciation figures results in a negative Total DEL number. For spending control purposes it is the individual resource and capital DEL numbers that apply.

Comparisons of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2005-06 of £1,000 is the same as last year's final provision and forecast outturn for 2004-05 of £1,000. The token provision sought reflects the fact that ORR appropriates in aid sufficient receipts from licence fees to cover the resource requirement.

Cash which may be retained to offset expenditure

£'000

Cash, which may be retained 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, is:

	2005-06 provision	2004-05 provision	2003-04 outturn
	16,500	15,297	14,797