Annual Report and Accounts 2023 to 2024

Parliamentary accountability report

Statement of outturn against Parliamentary Supply

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires ORR to prepare a statement of outturn against Parliamentary Supply (SOPS) and supporting notes.

The SOPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

The SOPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated Fund), that Parliament gives statutory authority for entities to utilise. The Estimate details supply and is voted on by Parliament at the start of the financial year.

Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The format of the SOPS mirrors the Supply Estimates, published on gov.uk, to enable comparability between what Parliament approves and the final outturn.

The SOPS contain a summary table, detailing performance against the control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so outturn won't exactly tie to cash spent) and administration.

The supporting notes detail the following: outturn by Estimate line, providing a more detailed

breakdown (note 1); a reconciliation of outturn to net operating expenditure in the SOCNE, to tie the SOPS to the financial statements (note 2); a reconciliation of outturn to net cash requirement (note 3); and an analysis of income payable to the Consolidated Fund (note 4).

The SOPS and Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. An understanding of the budgeting framework and an explanation of key terms is provided in the financial review section of the performance report. Further information on the Public Spending Framework and the reasons why budgeting rules are different to IFRS can also be found in Chapter 1 of the Consolidated Budgeting Guidance, available on gov.uk.

The SOPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament. The financial review, in the performance report, provides a summarised discussion of outturn against Estimate and functions as an introduction to the SOPS disclosures.

Summary tables – mirrors part 1 of the Estimates

Summary table for 2023-24

Type of spend	SOPS Note	Outturn voted (£000)	Outturn non-voted (£000)	Outturn total (£000)	Estimate voted (£000)	Estimate non-voted (£000)
Departmental expenditure limit - resource	1.1	2	-	2	2	-

Type of spend	SOPS Note	Outturn voted (£000)	Outturn non-voted (£000)	Outturn total (£000)	Estimate voted (£000)	Estimate non-voted (£000)
Departmental expenditure limit - capital	1.2	1,051	-	1,051	1,620	-
Departmental expenditure limit - total		**1,053**	**-**	**1,053**	**1,622**	**-**
Annually managed expenditure limit - resource	1.1	-	-	-	-	-
Annually managed expenditure limit - capital	1.2	-	-	-	-	-
Annually		**-**	**-**	**-**	**-**	**-**

Type of spend	SOPS Note	Outturn voted (£000)	Outturn non-voted (£000)	Outturn total (£000)	Estimate voted (£000)	Estimate non-voted (£000)
managed expenditure limit - total						
strong>Total resource		2	-	2	2	-
Total capital		1,051	-	1,051	1,620	-
Total budget expenditure		1,053	-	1,053	1,622	-
Net cash requirement	3	(1,973)			4,000	
Administration costs		1,053			1,622	

The voted columns cover the voted control limits voted by Parliament. Refer to the Supply

Estimates guidance manual, available on gov.uk, for detail on the control limits voted by Parliament. Although not a separate voted limit, any breach of the administration budget will also result in an excess vote.

Notes to the statement of outturn against Parliamentary Supply, 2023-24

SOPS1: Outturn detail, by Estimate line

SOPS1.1: Analysis of resource outturn by Estimate line

Type of voted spending in departmental expenditure limit (DEL)	Administration resource gross expenditure (£000)	Administration resource income (£000)	Administration resource net expenditure (£000)	Estimate outturn net total (£000)	O co w es sa (e (£
A Economic regulation, admin, associated capital and other expenditure	19,430	(19,429)	1	1	-
B Safety regulation, admin and other	17,917	(17,917)	-	-	-

Type of voted spending in departmental expenditure limit (DEL)	Administration resource gross expenditure (£000)	Administration resource income (£000)	Administration resource net expenditure (£000)	Estimate outturn net total (£000)	O co w es sa (e (£
expenditure					
C Other regulation, admin and other expenditure	3,419	(3,418)	1	1	-
Total spending in Department Expenditure Limit	**40,766**	**(40,764)**	**2**	**2**	-

SOPS1.2: Analysis of capital outturn by Estimate line

Type of voted capital spending in departmental expenditure limit (DEL)	Outturn gross expenditure (£000)	Outturn income (£000)	Outturn net total (£000)	Estimate total (£000)	Virements (£000)	T i v (
A Economic regulation, admin, associated capital and other expenditure	548	(2)	546	1,620	(505)	1,
B Safety regulation, admin and other expenditure	506	(1)	505	-	505	5
C Other regulation, admin and other expenditure	-	-	-	-	-	-

Type of voted capital spending in departmental expenditure limit (DEL)	Outturn gross expenditure (£000)	Outturn income (£000)	Outturn net total (£000)	Estimate total (£000)	Virements (£000)	T i v (
Total spending in Department expenditure Limit	1,054	(3)	1,051	1,620	-	1

The total Estimate columns include virements. Virements are the reallocation of provision in the Estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements is provided in the Supply Estimates manual, available on gov.uk.

The outturn versus Estimate column is based on the total including virements. The Estimate total before virements have been made is included so that users can tie the Estimate back to the Estimates laid before Parliament.

SOPS2: Reconciliation of outturn to net operating expenditure

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. Therefore, this reconciliation bridges the resource outturn to net operating expenditure, linking the SOPS to the financial statements. As the total resource outturn in the SOPS is the same as net operating expenditure in the SoCNE, no reconciliation is required.

SOPS3: Reconciliation of net resource outturn to net cash requirement

Item	SOPS Note	Outturn total (£000)	Estimate (£000)	Outturn compared with estimate: saving/ (excess) (£000)
Resource outturn	1.1	2	2	-
Capital outturn	1.2	1,051	1,620	569
Accruals to cash adjustments:				
Adjustments to remove non-cash items:				
Depreciation		(1,776)	(1,892)	(116)
New provisions and adjustments to previous provisions		60	(9)	(69)
Other non-cash items		(964)	(55)	909

Item	SOPS Note	Outturn total (£000)	Estimate (£000)	Outturn compared with estimate: saving/ (excess) (£000)
Adjustments to reflect movements in working balances:				
Decrease in receivables		(2,291)	-	2,291
Decrease in payables		738	4,334	3,596
Use of provisions		72		(72)
Increase in provisions		4	-	(4)
Repayment of principal on lease liabilities		1,131	-	(1,131)
Total adjustments		**(3,026)**	**2,378**	**5,404**

Item	SOPS Note	Outturn total (£000)	Estimate (£000)	Outturn compared with estimate: saving/ (excess) (£000)
Net cash requirement		(1,973)	4,000	5,973

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the resource and capital outturn to the net cash requirement. We require a net cash requirement to cover any timing differences in the collection or payment of cash and the recognition of costs or income.

SOPS4: Income payable to the Consolidated Fund

SOPS4.1: Analysis of income payable to the Consolidated Fund

In addition to income retained by the department, the following income is payable to the Consolidated Fund (cash receipts being shown in italics).

Item	2023-24 outturn total Accruals (£000)	2023-24 outturn total cash basis (£000)	2022-23 accruals (£000)	2022-23 cash basis (£000)
Excess cash surrenderable to the	1,973	-	-	-

Item	2023-24 outturn total Accruals (£000)	2023-24 outturn total cash basis (£000)	2022-23 accruals (£000)	2022-23 cash basis (£000)
Consolidated Fund				
Total amounts payable to the Consolidated Fund	1,973	-	-	-

SOPS4.2: Consolidated Fund income

Consolidated Fund income shown in note 4.1 above does not include any amounts collected by the department where it was acting as agent for the Consolidated Fund rather than as principal. The amounts collected as agent for the Consolidated Fund (which are otherwise excluded from the financial statements) were:

Item	2023-24 outturn total (£000)	2022-23 outturn total (£000)
Balance of Intergovernmental Commission levy	437	345
Balance of DfT roads funding	47	133

Item	2023-24 outturn total (£000)	2022-23 outturn total (£000)
Amount payable to the Consolidated Fund	**484**	**478**
Balance at start of year	478	482
Payments to Consolidated Fund	(478)	(482)
Balance held at the end of the year	**484**	**478**

ORR receives funding from Eurotunnel to meet the UK's share of the expenses of the Intergovernmental Commission and Safety Authority pertaining to the Channel Tunnel. This fee is calculated annually in line with a settlement agreement. ORR is allowed to cover its costs only, therefore any excess funding is paid over to the Consolidated Fund.

ORR receives a grant from DfT for funding of our highways function. Any excess funding is paid over to the Consolidated Fund.

Parliamentary accountability disclosures (audited)

ORR has nothing to report in respect of:

- Losses or special payments in excess of £300,000, either individually or in aggregate;
- Gifts; and
- Remote contingent liabilities.

Fees and charges are as set out in note 2 to the accounts.

Our assessment against government functional standards is set out in the governance statement.

John Larkinson

Accounting Officer

17 July 2024

- ← Previous Remuneration and staff report
- → Next Financial statements