



Summary Business Pack as at 31 December 2008

This review sets out an overview of 2008-09 Operations within Ofgem at the end of the third quarter.

The review covers the following areas:

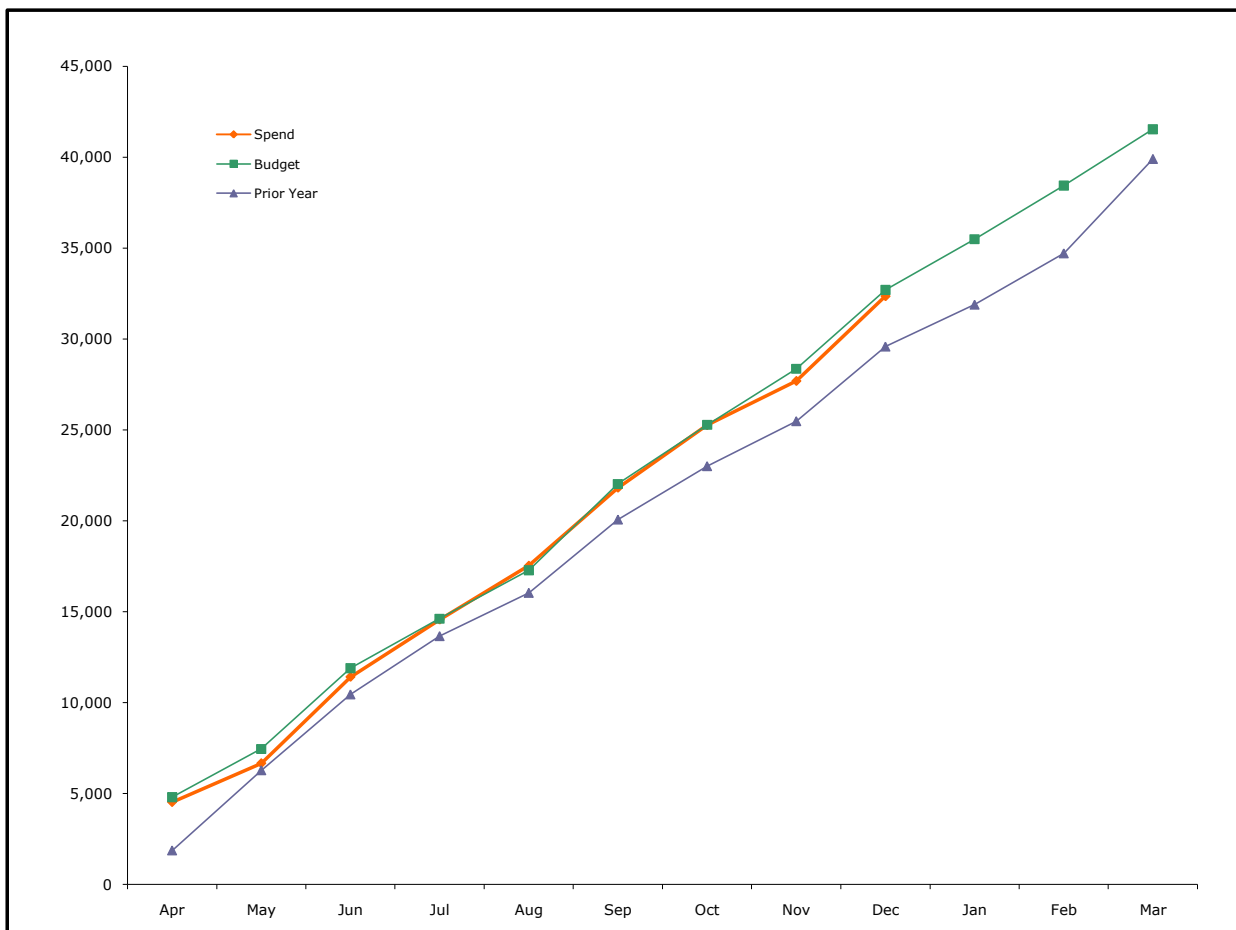
- * Financial Overview
- * Capital
- * Fossil Fuel Levy
- * Corporate Plan Deliverables

FINANCIAL OVERVIEW

As At 31 December 2008



Spend Area	Year To Date Spend	Full Year Budget
Staff	14,225	19,317
Contractors	4,480	6,459
Accommodation	7,667	8,565
Other Costs	5,986	7,201
Totals	32,358	41,542



All figures are in £'000

	RPI-3 Cost Control Regime				
	2005-06	2006-07	2007-08	2008-09	2009-10
Budget Ceiling	34,235	33,938	34,369	34,671	34,472
Adjusted Costs	31,300	33,325	33,445	34,671	34,472
Variance	2,935	613	924	0	0
Retained RPI-x year-end flexibility				1500	

CAPITAL As at 31 December 2008



Capital Review

Office equipment spend totalled £396k and included a range of projects including the purchase of a Power Perfector and new water tanks. IT spend of £74k includes the purchase of PC's and laptops.

Expenditure Type	Cash Outturn	Full Year Budget	Prior Year
Computers/IT	74	325	436
Office Equipment	396	425	315
Total Capital	470	750	751

FOSSIL FUEL LEVY As at 31 December 2008



England and Wales Levy Account

The balance of the England and Wales Levy account as at 19 December 2008 was **£88.8 million**. This amount includes accumulated interest on the account.

Surplus receipts in the England and Wales account over and above the core third-party balance of £30 million are treated as hereditary revenue, as directed by HM Treasury, and transferred to the Consolidated Fund (under Section 1 of the Civil List Act 1952).

Previous transfers to the Consolidated Fund are as follows:

Financial year	£ million
2004-05	60
2005-06	150
2006-07	255
2007-08	120
2008-09*	82
Total	667

* A further transfer in March 2009 is expected.

Scotland Levy Account

The balance of the Scotland Levy account as at 19 December 2008 was **£137.3 million**. This amount includes accumulated interest on the account.

Under Section 187 of the Energy Act 2004, the Scottish Government may direct Ofgem to pay an amount from the Scottish Levy account to the Scottish Consolidated Fund. No such direction has yet been made.

CORPORATE PLAN DELIVERABLES

As At 31 December 2008



Period 9 Round Up

The 2008-13 Corporate Strategy and Plan identifies 32 core deliverables to be met during the year. Twenty-two have been met in the respective quarter out of the twenty-five still applicable at end of quarter 3.

The three deliverables not met in the respective quarter were as follows:

Markets: Publish Probe findings in Q2. This was published in Q3.

Networks: Publish LENS report in Q2. This was published in Q3.

ORS: Publish Offshore Proposal document in Q2. Now delayed to Q1 2009-10.

Area	Year to Date						Remaining Qtr4	Corp Plan Total	Full Year Estimate
	Qtr 1	Qtr 2	Qtr 3	Met	N/A	Meet Later			
Markets	1	3	4	8	0	1	1	10	10
Networks	2	2	4	8	0	1	2	11	11
Corporate Affairs	3	1	0	4	0	0	2	6	6
Operations	0	1	1	2	0	1	2	5	5
Total	6	7	9	22	0	3	7	32	32