Revenue allocations

Full details of UK Government income and expenditure (outturn figures, estimates and forecasts) are published by the [Office for Budget Responsibility (OBR)](https://obr.uk/). Government accounts are audited by the [National Audit Office (NAO)](https://www.nao.org.uk/) and scrutinised by the [Public Accounts Committee](https://committees.parliament.uk/committee/127/public-accounts-committee).



With very few exceptions, central government receipts are not hypothecated to specific items or types of expenditure. The principal central government extractive revenues currently earmarked for specific UK programmes or geographic regions involve the allocation of a population-based share of income from seaward petroleum licences to the Northern Ireland Government, as required by [section 2 of the Miscellaneous Financial Provisions Act 1968](https://www.legislation.gov.uk/ukpga/1968/75/section/2). The amount to be transferred in respect of 2022/23 was £1,559 million (£1.547 million in respect of 2021/22) [[1](https://www.ukeiti.org/revenue-allocations#reference-1)].

All revenue ‘profit’ from Crown Estate Scotland goes to the Scottish Consolidated Fund and it is the responsibility of Scottish Ministers to decide how this is used. Crown Estate Scotland ensures that the assets are developed and enjoyed to deliver long-term value for communities and for the nation.

Onshore petroleum licensing is now devolved in Great Britain as well as to Northern Ireland, although the Oil and Gas Authority (OGA) continues to collect any licence fees due on licences in Scotland and Wales as an agent for the respective administrations. In March 2022, the OGA was rebranded as the North Sea Transition Authority (NSTA) but legally it remains the OGA and continues to be referred to by that acronym below. Any amounts received or refunded in 2022 have, however, been reported elsewhere on this site as received and repaid by the NSTA.

In addition, the OGA Levy part-funds the operation of the OGA [[2](https://www.ukeiti.org/revenue-allocations#reference-2)]. The rates of the Levy are set by statutory instrument so have to be approved by Parliament. Any excess of income over expenditure is repaid to levy-payers which can result in net refunds for some levy-payers in a calendar year. The OGA is a vested company with operational independence from government. However, the Secretary of State (SoS) for Energy Security and Net Zero is the company’s sole shareholder and is ultimately responsible to Parliament for the OGA; the OGA Board of Directors is accountable to the SoS. The Permanent Secretary of the Department for Energy Security and Net Zero (DESNZ) is the Principal Accounting Officer for the OGA and is responsible to Parliament for any grant funding of the OGA; the OGA’s Chief Executive is responsible to the Permanent Secretary. The OGA’s Annual Report and Accounts are approved by the Board of Directors and the SoS.

**Notes and References**

1. NSTA, [Oil and Gas Authority Annual Report and Accounts 2022–23](https://www.nstauthority.co.uk/about-us/leadership-governance/plans-reports-and-accounts/) (July 2023)
2. DECC, [Funding the Oil and Gas Authority: Government Response](https://www.gov.uk/government/consultations/funding-the-oil-and-gas-authority-consultation-on-levy-design) (September 2015); NSTA, [Oil and Gas Authority Annual Report and Accounts 2022–23](https://www.nstauthority.co.uk/about-us/leadership-governance/plans-reports-and-accounts/) (July 2023)

**Glossary of abbreviations**

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| --- | --- |
| **Abbreviation** | **Explanation** |
|  |  |
| DECC | Department of Energy & Climate Change |
| DESNZ | Department for Energy Security & Net Zero |
| HM | Her Majesty’s |
| NAO | National Audit Office |
| NSTA | North Sea Transition Authority |
| OBR | Office for Budget Responsibility |
| OGA | Oil and Gas Authority |
| SoS | Secretary of State |
| UK | United Kingdom |