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**Supply Estimate 2016-17**  
**House of Commons: Administration**

**Main Supply Estimate**

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# **Main Supply Estimate**

**2016-17**

**for the year ending 31 March 2017**

## **Supply Estimate House of Commons: Administration**

*Presented to the House of Commons pursuant to section 3  
of the House of Commons (Administration) Act 1978.*

*Ordered by the House of Commons to be printed*

*12 May 2016*

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## Section 1. Introduction

1. Supply Estimates are the means by which the House makes provision for its spending each year. The Main Estimates start this process and are presented to Parliament around the start of the financial year to which they relate.

2. The relationship between Supply Estimates and the administrative control arrangements, and the way in which Parliament considers the Supply Estimates are described in the Central Government Supply Estimates 2016-17 (HC 967). The arrangements for the House's own Administration Estimate broadly follow the same pattern, with the exception of adopting a Departmental Expenditure Limit equivalent (DEL equivalent) instead of a Departmental Expenditure Limit (DEL) and Annually Managed Expenditure (AME) limit for all administration expenditure.

### **2016-17 Main Supply Estimates**

3. The total voted resource expenditure for which authority is sought in the 2016-17 Main Estimate for the House of Commons: Administration is £224.6 million resource and £83.3 million capital.

4. The non-voted part of the Estimate represents the utilisation of funds of up to £0.1m held in the Commission Reserve which sits outside the normal Supply arrangements.

## Section 2. Summary of resource-based Supply arrangements

1. Parliament is asked to approve the consumption of resources and capital, as well as the spending of cash, under the authority of the House of Commons (Administration) Act 1978 as amended by the Government and Resources and Accounts Act 2000.

- Structure**
2. The Estimate at Section 4 is accompanied by explanatory notes containing basic information intended to put it into context, including a general description of the expenditure involved, and an explanation of the Accounting Officer's responsibilities for the Estimate.
3. The core elements of the Estimate, which consist of the sums and services to be voted in the resource-based Main Supply Estimate, are produced in three parts.

**Part I** 4. Part I of the Main Supply Estimate contains the following :

- (i) the net provision in resource, capital and cash sought;
- (ii) any amounts which have already been allocated in the Vote on Account;
- (iii) a formal description of the services to be financed from the Estimate and the income to be used to offset gross spending (known as its Ambit); and
- (iv) who will account for the Estimate.

5. The net resource, capital and cash expenditure limits and the Expenditure and Income ambits will be reproduced in the Supply and Appropriation (Main Estimates) Act. Together they provide the statutory authority for the expenditure.

- Parts II and III** 6. These sections provide a breakdown of the expenditure for which approval is sought and are accompanied by a number of notes. The Estimate and supporting statements provide an explanation of the expenditure that the House of Commons proposes to finance from funds made available by Parliament.

**Note A- Statement of Comprehensive Net Expenditure and Reconciliation Table** show the Net Administration Costs, Total Net Operating Costs and the Total Resource Budget.

**Note B- Analysis of Income** provides details of the House of Commons: Administration's income.

**Note C- Analysis of Consolidated Fund Extra Receipt** provide details of income that is to be paid to the Consolidated Fund.

**Note D – Explanation of Accounting Officer responsibilities** sets out the Clerk of the House's relevant responsibilities as Accounting Officer.

## **Section 3. Parliamentary Procedure**

1. Parliament's consideration of the Supply Estimates is part of its Supply procedure, by which it approves all requests for funds.
2. The process consists of a number of stages and full details are provided in the Central Government Supply Estimates. The House of Commons: Administration Estimate follows the same broad principles.

## **Section 4. House of Commons: Administration Main Supply Estimate**

### **Introduction**

1. This Estimate covers the planned budgetary expenditure of the House of Commons. The main costs of salaries and allowances paid to Members of Parliament are met through the Estimate laid by the Independent Parliamentary Standards Authority. Other costs incurred on behalf of Members are met through the Members Estimate which is laid as part of the Central Government Supply Estimates.
2. The expenditure is broken down between resource and capital. All funds to be drawn down from the Consolidated Fund are shown as voted expenditure. In addition, it is planned to utilise funds held in the Commission Reserve. As these funds are already held and will not be drawn down from the Consolidated Fund they are shown as non-voted expenditure.
3. The net cash requirement is shown as a single figure for the voted expenditure.

**Part I**

	Voted	Non-Voted	Total
£			
<b>Departmental Expenditure Limit equivalent</b>			
Resource	224,600,000	100,000	224,700,000
Capital	83,300,000	-	83,300,000
<b>Non-Budget Expenditure</b>	-	-	-
<b>Total Net Budget</b>			
Resource	224,600,000	100,000	224,700,000
Capital	83,300,000	-	83,300,000
<b>Net cash requirement</b>	281,500,000		

Amounts required in the year ending 31 March 2017 for expenditure by the House of Commons: Administration on:

**Departmental Expenditure Limit equivalent:**Expenditure arising from:

- General administration including staff costs, accommodation, stationery, printing, security, broadcasting, IT, catering, general expenses and associated non-cash costs; some travel costs of Members of Parliament in connection with select committees and delegations to international parliamentary assemblies; costs incurred on international parliamentary activities, and grants and grants-in-aid to organisations who promote the House of Commons' objectives including the History of Parliament Trust, certain parliamentary bodies and to the Association of Former Members of Parliament.

Income arising from:

- Catering receipts, rental income, sales of goods and services, fees received and receipts in connection with parliamentary activities.

The Clerk of the House of Commons will account for this Estimate.

**Part I**

	<b>Voted total</b>	<b>Allocated in Vote on Account (HC751)</b>	<b>Balance to Complete</b>
			£
<b>Departmental Expenditure Limit equivalent</b>			
Resource	224,600,000	96,200,000	128,400,000
Capital	83,300,000	37,500,000	45,800,000
<b>Non-Budget Expenditure</b>	-	-	-
<b>Total Net Budget</b>			
Resource	224,600,000	96,200,000	128,400,000
Capital	83,300,000	37,500,000	45,800,000
<b>Net cash requirement</b>	281,500,000	122,100,000	159,400,000

**Part II: Subhead detail**

£000

2016-17 Plans						2015-16 Provision	
Resources Administration			Capital			Resources Administration	Capital
Gross 1	Income 2	Net 3	Gross 4	Income 5	Net 6	Net 7	Net 8
Departmental Expenditure Limit equivalent							
241,600	-16,900	224,700	83,300	-	83,300	225,900	46,300

*Of which:*

## Voted expenditure

241,500	-16,900	224,600	83,300	-	83,300	224,700	45,800
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## Non-Voted expenditure

100	-	100	-	-	-	1,200	500
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**Part II: Resource to cash reconciliation**

	£000		
	2016-17 Plans	2015-16 Provision	2014-15 Outturn
<b>Net Resource Requirement</b>	<b>224,700</b>	<b>225,900</b>	<b>199,296</b>
<b>Pension Transfer</b>			<b>-141,863</b>
<b>Net Capital Requirement</b>	<b>83,300</b>	<b>46,300</b>	<b>30,855</b>
<b>Accruals to cash adjustments:</b>			
<i>Adjustments to remove non-cash items:</i>			
Depreciation	-23,000	-18,300	-16,436
New provisions and adjustments to previous provisions	-	-	-
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-3,400	-6,200	139,571
<i>Adjustments to reflect movements in working balances:</i>			
Increase (+) / decrease (-) in stock	-	-	-65
Increase (+) / decrease (-) in debtors	-	-	19,884
Increase (-) / decrease (+) in creditors	-	-	-1,381
Use of provisions	-	-12,200	385,508
<b>Removal of non-voted budget items</b>	<b>-100</b>	<b>-1,700</b>	<b>-1,247</b>
<b>Net Cash Requirement</b>	<b>281,500</b>	<b>233,800</b>	<b>614,122</b>

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

	<b>2016-17 Plans</b>	<b>2015-16 Provision</b>	<b>£'000 2014-15 Outturn</b>
<b>Gross Administration Costs</b>	<b>241,600</b>	<b>241,900</b>	<b>72,327</b>
Less: income	-16,900	-16,000	-14,894
<b>Total Net Administration Costs</b>	<b>224,700</b>	<b>225,900</b>	<b>57,433</b>
<b>Total Net Operating Costs</b>	<b>224,700</b>	<b>225,900</b>	<b>57,433</b>
<b>Total Resource Budget</b>	<b>224,700</b>	<b>225,900</b>	<b>57,433</b>
<b>Total Resource Estimate</b>	<b>224,700</b>	<b>225,900</b>	<b>57,433</b>

**Part III Note B**  
**Analysis of Income**

	2016-17 Plans	2015-16 Provision	£'000 2014-15 Outturn
<b>Voted Departmental Expenditure Limit equivalent</b>			
Administration: catering receipts, rental income, sales of goods and services, fees received and receipts in connection with parliamentary activities	-16,900	-16,000	-14,894
<b>Total Voted Resource Income</b>	<b>-16,900</b>	<b>-16,000</b>	<b>-14,894</b>

**Part III Note C**  
**Analysis of Consolidated Fund Extra Receipts**

No CFER income or receipts are expected in 2016-17; neither were received in either 2014-15 or 2015-16.

### **Part III Note D**

#### **Explanation of Accounting Officer responsibilities**

In accordance with Section 3(2), Chapter 36 of the House of Commons (Administration) Act 1978 the House of Commons Commission has appointed the Clerk of the House of Commons, David Natzler, as the Principal Accounting Officer for the House of Commons: Administration Estimate.

The Clerk of the House of Commons, as Accounting Officer, has personal responsibility for the preparation of the House of Commons Administration Resource Accounts, 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 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 House of Commons Financial Reporting Manual have been followed, and explaining any material departures in the accounts; and
- Preparing the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the House's assets, are set out in *Managing Public Money* issued by the Treasury.