
Supply Estimate 2017-18
House of Commons: Administration

Main Supply Estimate

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Main Supply Estimate

2017-18

for the year ending 31 March 2018

Supply Estimate **House of Commons: Administration**

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

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HC 1119

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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 2017-18 (HC 1127). 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.

2017-18 Main Supply Estimates

3. The total voted resource expenditure for which authority is sought in the 2017-18 Main Estimate for the House of Commons: Administration is £257.9million resource and £154.1 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	£
Departmental Expenditure Limit equivalent				
Resource	257,900,000	100,000	258,000,000	
Capital	154,100,000	-	154,100,000	
Non-Budget Expenditure	-	-	-	
Total Net Budget				
Resource	257,900,000	100,000	258,000,000	
Capital	154,100,000	-	154,100,000	
Net cash requirement	384,400,000			

Amounts required in the year ending 31 March 2018 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, sale of goods and services, fees received and receipts in connection with parliamentary activities is used to meet the cost of the goods and services provided.

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

Part I (continued)

	Voted total	Allocated in Vote on Account (HC1002)	Balance to Complete
			£
Departmental Expenditure Limit equivalent			
Resource	257,900,000	134,000,000	123,900,000
Capital	154,100,000	73,500,000	80,600,000
Non-Budget Expenditure	-	-	-
Total Net Budget			
Resource	257,900,000	134,000,000	123,900,000
Capital	154,100,000	73,500,000	80,600,000
Net cash requirement	384,400,000	175,700,000	208,700,000

Part II: Subhead detail

£000

2017-18 Plans						2016-17 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							
276,100	-18,100	258,000	154,100	-	154,100	226,900	69,600

Of which:

Voted expenditure

276,000	-18,100	257,900	154,100	-	154,100	226,800	69,500
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Non-Voted expenditure

100	-	100	-	-	-	100	100
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Part II: Resource to cash reconciliation

	2017-18 Plans	2016-17 Provision	2015-16 Outturn
Net Resource Requirement	258,000	226,800	210,308
Net Capital Requirement	154,100	69,500	38,939
Accruals to cash adjustments:			
<i>Adjustments to remove non-cash items:</i>			
Depreciation	-27,200	-23,000	-19,748
New provisions and adjustments to previous provisions	-	-	-
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-288
Prior Period Adjustments	-	-	-
Other non-cash items	-400	-3,400	-
<i>Adjustments to reflect movements in working balances:</i>			
Increase (+) / decrease (-) in stock	-	-	43
Increase (+) / decrease (-) in debtors	-	-	-14,068
Increase (-) / decrease (+) in creditors	-	-	-11,940
Use of provisions	-	-	7
Removal of non-voted budget items	-100	-100	-1,002
Net Cash Requirement	384,400	269,800	202,251

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

	2017-18 Plans	2016-17 Provision	£'000 2015-16 Outturn
Gross Administration Costs	276,000	243,800	226,665
Less: income	-18,100	-16,900	-16,357
Total Net Administration Costs	257,900	226,900	210,308
Total Net Operating Costs	257,900	226,900	210,308
Total Resource Budget	257,900	226,900	210,308
Total Resource Estimate	257,900	226,900	210,308

Part III Note B
Analysis of Income

	2017-18 Plans	2016-17 Provision	£'000 2015-16 Outturn
Voted Departmental Expenditure Limit equivalent			
Administration: catering receipts, rental income, sales of goods and services, fees received and receipts in connection with parliamentary activities	-18,100	-16,900	-16,357
Total Voted Resource Income	-18,100	-16,900	-16,357

Part III Note C
Analysis of Consolidated Fund Extra Receipts

No CFER income or receipts are expected in 2017-18; neither were received in either 2015-16 or 2016-17.

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 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.