

House of Commons

Package of Agreed Savings for 2011/12

Management Board

14 December 2010

1. Introduction

Purpose

1.1 This document provides the final list of initial savings to be made across the House and PICT in 2011/12 as agreed by the House of Commons Commission at its meeting on 13 December.

Initial savings proposals and consultation outcome

1.2 The Commission and the Management Board are committed to reducing the costs of the House Service by at least 17 per cent in real terms by 2014/15, in line with reductions being made across the wider public sector. The Commission has decided that fulfilling this aim provides an opportunity to review the way services are provided, although some reductions in budgets and services within existing organisational structures will also be required. Reviewing the way services are provided will start in the new year. In the meantime we need to make some reductions in costs in the shorter term, which are outlined in this document.

1.3 A consultation exercise on the [Management Board's proposed package of savings](#) was undertaken in November. Members, House staff, representative bodies of Members' staff and the TUS were all asked to give their feedback on the proposals and identify additional suggestions for saving money. Having taken account of all these views, the Commission has agreed to a set of savings, the detail of which is set out in this document. In a number of cases the Commission agreed the proposals subject to certain provisos, as indicated below, and also set out in the Commission's published decisions.

1.4 In light of the consultation exercise and following a recommendation from the Finance and Services Committee, the House of Commons Commission has agreed a resource budget for the House of £228 million for the next financial year. The savings outlined here will help us to meet this target, as well as absorbing upward costs such as the VAT rise, increases in the rates on some of our buildings and investment in areas such as search and on-line publication.

1.5 A number of additional savings suggestions were received through the consultation exercise, which, together with recommendations from recent value for money audits, provides the Management Board with confidence that a £228 million resource budget for next year is achievable with tight in-year management. The many detailed suggestions and comments deserve a thorough response from the Management Board and this will be completed early in the New Year. The Board is very grateful to all of those who engaged in this exercise.

1.6 The savings agreed to date have been predominantly departmental focussed. There are, however, a number of suggestions which cross departmental boundaries,

in areas such as photocopiers and office supplies. These will be explored further in the new year.

1.7 Although the consultation on the initial package of savings is now over, the Management Board's interest in receiving additional ideas for savings remains. Any further ideas would be gratefully received and should be forwarded to the Savings Team communicationsoc@parliament.uk.

Monitoring

1.8 Now that the decision has been taken on these proposals, it is vital that the savings are delivered if we are to achieve our 2011/12 budget. The Management Board will receive quarterly reports on progress being made in delivering these savings. The consequences of the changes will be monitored carefully to ensure there are no unintended consequences. The Management Board has delegated authority from the Commission to manage the House departments and budgets and will need to exercise flexibility through the year about the timing and extent of a number of the proposed savings, but the overall level of savings must still be achieved.

1.9 In the current financial climate, it is important that watching what we spend and constantly seeking out new ideas to improve our efficiency becomes business as usual for us all.

2. 2011/12 Financial Plan

Overview

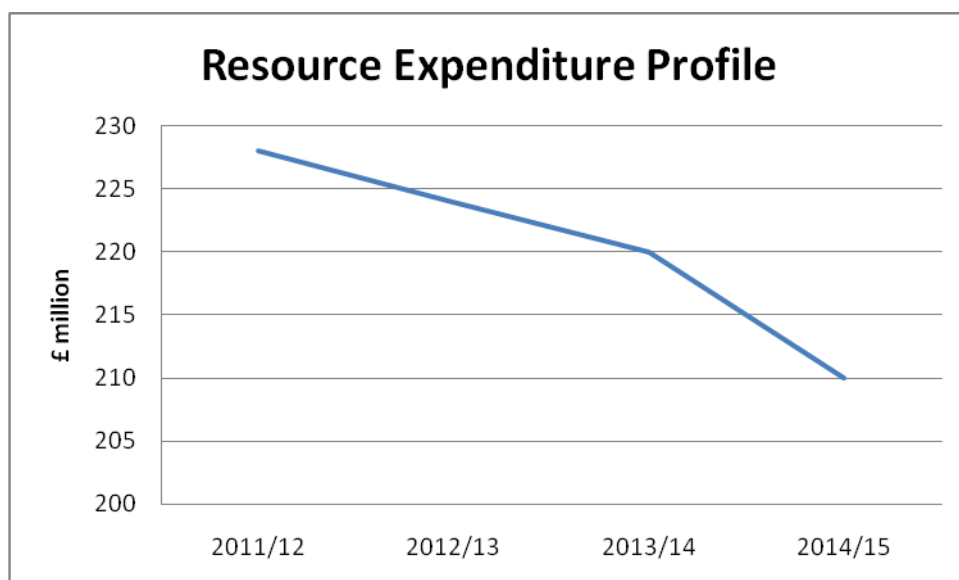
2.1 The Commission has agreed to an estimate of £228 million for the next financial year. This is made up as follows:

	£ million
Brought forward	231
Savings Programme	(12)
Cost Pressures ¹	9
	<u>228</u>

2.1 The Commission also agreed the following provisional figures for future years expressed in real terms, which, when anticipated inflation is taken into account, achieve the planned 17% resource saving by 2014/15 on the basis used by the Government:

£ million	2012/13	2013/14	2014/15
Resource	224	220	210
Capital	43	38	42

Resource savings are expected to increase towards the end of the four-year period as the tactical savings decided now are supplemented by more radical redesign measures which should take effect later.



¹ Cost pressures for next year include an increase in Employer's National Insurance Contributions, the full year cost of the new Political and Constitutional Reform Committee, bringing broadcasting in-house and the rise of VAT to 20% from January.

3. Overview of Savings

3.1 Summary of departmental savings and income generation

Figures for 2012/13 and beyond primarily consist of initial savings recurring in future years. Additional savings are necessary.

Department	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k
Department of Chamber & Committee Services	4651	5366	5938	6478
Department of Facilities	3281	4240	6763	6913
Department of Information Services	1863	2065	2090	2102
Department of Resources	853	1453	1453	1453
Office of the Chief Executive	216	216	216	216
Parliamentary Information and Communications Technology	1057	1514	1511	1511
TOTAL	11921	14854	17971	18673

NB – future year figures are shown at current prices for comparison with current departmental budgets

3.2 Non Departmental Savings

The House of Commons Commission has also agreed a 10% reduction in grant to the four international parliamentary bodies and the History of Parliament Trust, subject in the latter case to the grant then being maintained at the same level for the four-year period to 2014/15. This saves a further £366,000 in 2011/12.

4. The Detail

The remainder of this document lists the individual items agreed for initial savings and income generation. The items are grouped by department to enable all readers to understand which department is responsible for the services provided.

Any provisos agreed by the Commission are indicated with the words “subject to...” following the individual proposal.

Department of Chamber and Committee Services

Ref	Activity	Description of Saving	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k
<i>Departmental Central Services</i>						
Dccs1	Provision of newspapers to offices/teams	Reduce newspaper provision	14	14	14	14
Dccs2	Internal communications and associated functions	Remove post of Internal Communications Support Officer – already achieved (duties reallocated)	42	42	42	42
Dccs3	Departmental learning and development	Learning and development budget aligned with recent outturns	50	50	50	50
Dccs4	Procurement of office supplies	Smarter procurement of office supplies	15	15	15	15
Dccs5	Provision of photocopying	Use of smaller, better value photocopiers	35	35	35	35
<i>Table Office</i>						
Dccs6	Publication of weekly compendium of mature Early Day Motions	End publication of Thursday EDM paper (already achieved)	350	350	350	350
Dccs7	Publication of Question Book each day	Discontinue printing of Question Book	865	865	865	865
<i>Journal Office</i>						
Dccs8	Terminate click-use licence fee	Stop paying for maintaining click-use licence for parliamentary copyright material	11	22	22	22
Dccs9	Printing reductions	Discontinue hard copy printing and publication of documents with printable web versions instead.	120	120	120	120
<i>Overseas Office</i>						
Dccs10	Consultants	Abolish budget line	10	10	10	10
Dccs11	Travel and Subs UK (staff)	50% cut in budget for attendance by staff at UK & Ireland professional development conferences & seminars	15	15	15	15
Dccs12	Conferences overseas	10% cut in budget: activities of the delegations to the Parliamentary Assembly	125	165	165	165

		of the Council of Europe, the NATO Parliamentary Assembly, the OSCE Parliamentary Assembly and the European Security and Defence Assembly (WEU); attendance by staff and occasionally Members at conferences				
<i>Vote Office</i>						
Dccs13	Training, subscriptions to professional bodies (staff)	Reduce expenditure to 2009/10 levels	7	7	7	7
Dccs14	Machine rental	Change equipment provision	20	20	20	20
Dccs15	Legal and print consultancy	Discontinue expenditure	15	15	15	15
Dccs16	Bookshop supplies, advertising	Reduce orders, less marketing	20	20	20	20
Dccs17	Agency staff	Discontinue expenditure in printing staff	20	20	20	20
Dccs18	Books	Reduce expenditure on Dod's, Vachers, etc	30	30	30	30
Dccs19	Official publications	Reduce expenditure on government publications	211	211	211	211
Dccs20	Vote Office order forms	Discontinue/bring in house	7	7	7	7
<i>Committee Directorate</i>						
Dccs21	Overseas travel for Select Committees	Commission's decision to reduce overseas travel for Select Committees taken June 2010 for 2011/12.	500	500	500	500
Dccs22	Photocopying	Reduce photocopying	30	30	30	30
Dccs23	Books, periodicals and publications	Reduce purchase of books and periodicals	6	6	6	6
Dccs24	Reduction in printing of evidence	Do not print Committee Report evidence in hard copy	225	225	225	225
<i>Delegated Legislation Office</i>						
Dccs25	Salaries in Delegated Legislation Office	Various staffing changes already made	56	56	56	56
<i>Public Bill Office</i>						
Dccs26	Printing reductions	Discontinue hard copy printing and publication of documents, with printable web versions	146	146	146	146
			25	25	25	25

Dccs27	Band D staff support to senior posts	Discontinue and redistribute work (already implemented)				
<i>Official Report</i>						
Dccs28	Standing Committee Bound Volume	Stop printing Standing Committee Bound Volume	13	13	13	13
Dccs29	Select Committee transcription	Official report management of contracts; Official Report does full 20%	305	305	305	305
Dccs30	"Rolling Hansard"	Sub-editors post files to web and make corrections instead of tSO	78	100	100	100
Dccs31	Non-staff costs	Reduce training, travel, subs, conferences	10	20	20	20
Dccs32	Other staff costs	Reduce use of casuals, bear down on overtime allowances	50	50	50	50
Dccs33	Staffing	Savings arising from not filling vacancies	87	179	211	211
<i>Broadcasting</i>						
Dccs34	Broadcasting	Removal of PARBUL contingency	28	28	28	28
<i>Serjeant at Arms</i>						
Dccs35	Staffing in Serjeant At Arms Directorate	Savings arising from restructuring and some vacancies not replaced	141	141	141	141
Dccs36	Business Resilience	Reduce relocation exercises to one per year and cease use of external consultants	100	100	100	100
Dccs37	MPS Special Services Agreement	Projected contractual savings over life of contract (to 31.03.15)	539	1079	1619	2159
Dccs38	Other contracts	Savings arising from security related measures	324	324	324	324
<i>Legal Services Office</i>						
Dccs39	Legal services office	Remove overtime budget	6	6	6	6
TOTAL			4651	5366	5938	6478

Department of Facilities

As mentioned previously, the proposals on catering have been submitted to the Administration Committee's Inquiry. Further work has also been requested by the Finance and Services Committee on the proposed changes to Royal Mail operations although they have been agreed as the direction of travel.

Savings

Figures for 2012/13 and beyond primarily consist of initial savings recurring in future years. Additional savings are likely.

Ref	Activity	Description of Saving	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k
Df1	Royal Mail Operations	Close post office counters at the weekends, earlier closing times (subject to further work on savings and usage)	0	14	14	14
Df2 Need for flexibility/on-going review	Royal Mail Operations	Reduce the number of extractions/collections to 1 per day and deliveries to 2 per day (subject to flexibility if in practice Members experience difficulties)	140	140	140	140
Df3	Office Keepers / Attendants	Revised staffing arrangements (subject to reconsideration if not possible without compulsory redundancies)	30	353	353	353
Df4	Cleaning	Save 10% on the cleaning contract (subject to maintaining existing standards of cleaning)	236	236	236	236
Df5	Porterage/deliveries	Savings arising from offsite consolidation centre	0	60	60	60
Df6	Off-Site Consolidation Centre	Provide service or share with other organisations	0	183	183	183
Df7	Maintenance	Review out of hours staffing	0	42	42	42
Df8	Maintenance	Further consolidation of contracts and improved contract management	0	0	165	165
Df9	Maintenance	Limiting non essential work and	256	256	256	256

		controlling the speed of completion of work				
Df10	Fire, Safety & Environment and Director's Office	Limiting non essential work and controlling the delivery speed of completion of work	62	62	62	62
Df11	Maintenance	Reduce buildings maintenance staffing	55	55	55	55
Df12	Construction Projects	Reduction in resource spend averaged over the 4 year planning period	729	729	729	729
Df13	Buildings - Utilities	Energy efficiency improvements, e.g. Voltage optimisation	330	330	330	330
Df14	Buildings	Dispose of 14 Tothill St	0	120	2,477	2,477
Df31	Transformation Programme	Closure at end of programme	0	0	0	150
Df32	Finance Operations	Reduction in budget to match resource requirement.	26	26	26	26
Df33	Training	Reduction in budget to reflect planned spend.	60	60	60	60
Total Savings			2069	3085	6130	6530

Income Generation

Ref	Activity	2011/12	2012/13	2013/14	2014/15
IGDF1	Increase souvenir sales via on-line sales, high street outlet etc	0	400	400	400
IGDF2	Catering price increases in line with benchmarked organisations (full year value of changes already made)	1267	1267	1267	1267
IGDF7	Rental income from 53 Parliament Street	90	90	90	90
IGDF8	Increased revenue from commercial properties on Bridge St and Parliament St	0	75	75	75
	Total	1624	2301	2301	2301

Department of Information Services

Savings net of House of Lords' contributions

Figures for 2012/13 and beyond consist primarily of initial savings recurring in future years. Additional savings are likely.

Ref	Activity	Description of Saving	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k
Dis1	Public Information Projects	Remove General Election resources budgets	400	400	400	400
Dis2	Library/Research/ Parliamentary Office of Science and Technology	Limit spending attendance at external conferences and courses	14	14	14	14
Dis3	Library/Research	Reduce 1.5 band C posts in Reference Services and discontinue sandwich student post (already achieved)	67	67	67	67
Dis4	Parliamentary outreach	Remove supernumerary posts and reduce training expenses.	19	19	19	19
Dis5	Information & Data Management Section	Do not backfill for staff working on CPIMF ² project	35	35	35	35
Dis6	Library/Research	Recruit more posts at A3 rather than A2	25	50	75	87
Dis7	Office Services	Discontinue van service	50	50	50	50
Dis8	House of Commons Information Office	Publish Weekly Information Bulletin electronically only and maintain a smaller range of Factsheets.	75	75	75	75
Dis9	On-line Services	10% reduction in support for website and intranet	202	202	202	202
Dis10	House of Commons Information Office	Cancel New Voters' Guide	600	600	600	600
Dis11a	Curator's Office	Reduce running costs	12	12	12	12
Dis11b	Curator's Office	Reduce acquisitions (capital spend)	(50)	<i>tbc</i>	<i>tbc</i>	<i>tbc</i>
Dis12	Public Information Projects	Reduce Hansard Society contract from £70k to £50k	10	20	20	20
Dis13	Library Resources	10% reduction in Library acquisitions and staffing consequences	86	171	171	171
Dis14	Media Services	Reduce general parliamentary material from Precise media monitoring service	35	35	35	35
Dis15	Education Service: Transport Subsidy	Transport subsidy for visiting schools: eliminate underspend	54	54	54	54
Dis16	Parliamentary	10% budget reduction	97	97	97	97

² CPIMF: Core Parliamentary Information Management Framework

Ref	Activity	Description of Saving	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k
	outreach	with wide ranging impact (e.g. reduced marketing, fewer exhibitions and training materials, less work with Committees, reduced spending on adult education)				
Dis17	Support activities	Consolidate departmental support activities into a larger team with assumed loss of posts.	82	82	82	82
TOTAL	Excluding capital		1863	2065	2090	2102

Income Generation

Ref	Activity	2011/12	2012/13	2013/14	2014/15
IGDis1	Recover cost of Clock Tower tours by charging. Charging for other tours also to be investigated.	0	82	82	82

Department of Resources

Figures for 2012/13 and beyond consist primarily of initial savings recurring in future years. Additional savings are likely.

Ref	Activity	Description of Saving	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k
Dr1	Staffing	Reduced staff costs resulting from decreased volumes of work	546	1146	1146	1146
Dr2	Non-salary staff costs	10% reduction in training, recruitment costs etc	119	119	119	119
Dr3	Corporate initiatives	Cut budget by 10%	150	150	150	150
Dr4	Hospitality	Restrict refreshments for training events, meetings etc	12	12	12	12
Dr5	Office supplies	20% reduction in stationery etc costs	26	26	26	26
TOTAL			853	1453	1453	1453

Office of the Chief Executive

Figures for 2012/13 and beyond consist primarily of initial savings recurring in future years. Additional savings are likely.

Ref	Activity	Description of Saving	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k
Oce1	Training	Cut training budget by 10%	5	5	5	5
Oce2	Travel and Subsistence	Reduce to £1000	2	2	2	2
Oce3	Official Entertainment	Abolish this budget	2	2	2	2
Oce4	Printing	Reduce by 10%	4	4	4	4
Oce5	Computers	Reduce to 5k	16	16	16	16
Oce6	Consultants	Remove contingency	42	42	42	42
Oce7	Professional services	Reduce internal audit partner budget (does not impact on approved Audit Plan)	22	22	22	22
Oce8	OCE staffing complement	Reduce overall complement of the Office by reorganising posts following natural wastage	123	123	123	123
TOTAL			216	216	216	216

Parliamentary Information and Communication Technology (PICT)

Savings

Figures for 2012/13 and beyond consist primarily of initial savings recurring in future years. Additional savings are likely.

Ref	Activity	Description of Saving	2011/12 £k	2012/13 £k	2013/14 £k	2014/15 £k
Pict1	Additional support	Contractor and specialist support – reduction in requirement	200	200	200	200
Pict2	Electronic data management	Process change related to the Remote Data Centre	160	160	160	160
Pict3	Electronic data management	Data migration related to the Remote Data Centre	528	528	528	528
Pict4	Recruitment and training	Switch to online resources and more targeted provision	80	80	80	80
Pict5	Telecoms services	Parliamentary phone book – cessation of hard copy production	8	8	8	8
Pict6	Applications support	PIMS support – net savings (CPIMF dependent) ³	0	185	129	129
Pict7	Technology support	External contract – reduction in requirement	0	40	40	40
Pict8	Remote access	Legacy system (Citrix dial-up) – decommissioning of service	0	77	77	77
Pict9	Telecoms services	Legacy system (Pager service) – decommissioning of service	14	28	28	28
Pict10	Telecoms services	Payphones on the Estate – decommissioning of service	2	6	6	6
Pict11	Telecoms Services	Redesign switchboard requirement including closing telephone switchboard service at times when few calls are received (subject to there being 24 hour access in case of emergency and to information on internal phone numbers being available to Members while the House is sitting)	0	80	80	80
Pict12	Support services	Restructuring in line with ICT strategy	65	122	175	175
TOTAL			1057	1514	1511	1511

³ PIMS: Parliamentary Information Management Services
CPIMF: Core Parliamentary Information Management Framework