

**GOVERNMENT MOTION RELATING TO EUROPEAN STATUTORY INSTRUMENTS COMMITTEE
(Temporary Standing Order)**

Memorandum by the Accounting Officer on financial consequences

1. The Government has tabled a motion to make a new Standing Order to establish a select committee on European Statutory Instruments for the duration of the current Parliament or until the power to make new regulations under section 8, 9 or 23(1) of the European Union (Withdrawal) Act 2018 has expired.
2. This memorandum updates my memorandum of 22 January 2018 which accompanied the original motion tabled by the Government in December 2017.
3. The motion provides for a committee of sixteen members with powers to send for persons, papers and records, to appoint sub-committees, to appoint specialist advisers and to travel. Its task will be to examine proposals for negative procedure statutory instruments under the specified provisions of the European Union (Withdrawal) Act 2018 and to report to the House whether the affirmative procedure should apply. The committee may also consider and report on any matter arising from its consideration of such documents.
4. Standing Order No. 22C requires me, as Accounting Officer, to produce a memorandum on the financial consequences of any motion to be considered by the House if the motion would have a direct consequence of additional expenditure under the House of Commons: Administration Estimate estimated to be £50,000 or more.
5. This is a new type of committee and it will be a matter for the committee itself, once established, to determine how it proceeds with its task. The Procedure Committee published a report on Scrutiny of delegated legislation under the European Union (Withdrawal) Act 2018 [HC 1395] which elaborates on the Committee's remit and indicates the range of bodies and individuals which may wish to engage with its work. Decisions by the Government on how the relevant powers in the Act are used will have implications for the workload of the committee. While the Procedure Committee reports current Government estimates of the number of instruments to be laid before the House, and estimates the number which may fall to be considered by the new committee, there remains no firm indication of the overall number and complexity of the instruments to be proposed, or the potential impact on the workload of any withdrawal agreement and the provisions of a European Union (Withdrawal Agreement and Implementation) Bill. There are therefore significant uncertainties involved in forecasting the administrative cost of the new committee.
6. As a minimum, I expect that the committee will need a core staff of around four (a clerk, a specialist/policy analyst and two administrative staff) and that it will also require a new legal post to be created to work alongside the committee team. The cost of this would be in the region of £360,000 a year. The estimate covers salaries, pensions and National Insurance. It does not include IT costs or other overheads. Beyond this, the committee may be expected to draw upon the staff resources based in other committees for particular projects or advice.
7. Initially it is envisaged that staff would be provided by transferring staff from existing select committees and other offices in the House with the aim of replacing them by external recruitment if possible. Specialist staff may be seconded from outside the House of Commons Service, although this is unlikely significantly to affect the overall costs. I have not

included the costs of media support, on the assumption that these costs will be met from existing media teams.

8. On the assumption of an average select committee spend, costs of travel, specialist advisers, publications etc. would amount to about £50,000 a year.
9. The total extra annual recurring cost of establishing the committee would therefore be of the order of a minimum of £410,000 a year for its duration. Any net additional costs in 2018–19 will be met from contingency. Ongoing costs thereafter will have to be factored in to baseline budgets from 2019–20 onwards.

Sir David Natzler KCB

Clerk of the House and Accounting Officer

13 July 2018