

House of Lords

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Members' expenses and administration, etc.

Increases:

DEL Reserve claim

1. Subheads A2, A5 and B2

Increased depreciation charges due to movements in the value of the asset base and valuation of the Parliamentary Estate (£9,421,000), decreased capital charges following movements in the value of the Parliamentary Estate (-£899,000), decreased other expenditure across the activities of the House (-£2,255,000) and increased income from trading activities (-£351,000). 5,916,000

Decreases:

Other decreases

1. Subhead C2

Decreased non-cash charges relating to pension costs and pension valuation. -554,000

Total change in resources for RfR1 5,362,000

Changes in capital

Increases:

1. Subheads A8 and B8

Lower than estimated non-operating A in A. 30,000

Decreases:

2. Subhead A7

Decreased spend on IT projects. -120,000

Total change in capital for Estimate -90,000

2. As a result of the above and associated non-cash adjustments, there is no increase in the net cash requirement.

3. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR 1: Members' expenses and administration, etc.	5,362,000
Total additional net resource requirement	5,362,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the House of Lords on:

RfR 1: Members' expenses and administration, etc.

Members' expenses, administrative and accommodation costs, including staff salaries and pensions, security, stationery, printing, financial assistance to opposition parties, a grant in aid to the History of Parliament Trust, and associated non-cash items.

The **House of Lords Administration** will account for this Estimate.

Part II: Changes proposed

Resources	£'000				New Net Provision
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	
RfR 1: Members' expenses and administration, etc.					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	54,369	-1,279	351	-1,630	52,739
RfR 1 - B Works Services	51,687	7,546	-	7,546	59,233
Spending in Annually Managed Expenditure (AME)					
RfR 1 - C Administration	1,800	-554	-	-554	1,246
Total RfR 1		5,713	351	5,362	
£000					
	Present Provision	Change in Provision	New Provision		
Capital and Cash					
Total Capital Expenditure	4,780	-120	4,660		
Non-Operating A in A	30	-30	-		
Net cash requirement	73,191	-	73,191		

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Members' expenses and administration, etc.								
-	118,533	289	118,822	5,604	113,218	4,660	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
-	56,745	289	57,034	4,295	52,739	1,902	-	
B Works Services								
-	60,542	-	60,542	1,309	59,233	2,758	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
C Administration								
-	1,246	-	1,246	-	1,246	-	-	
Total for Estimate:								
-	118,533	289	118,822	5,604	113,218	4,660	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	£'000
			<u>Revised</u>
Net total Resources	107,856	5,362	113,218
Voted capital items			
Capital expenditure	4,780	-120	4,660
<i>Less: non-operating A in A</i>	<u>30</u>	<u>-30</u>	<u>-</u>
Total net voted capital	4,750	-90	4,660
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-18,400	1,060	-17,340
Depreciation	-12,150	-9,421	-21,571
New provisions and adjustments to previous provisions	-7,129	636	-6,493
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-130	-	-130
Increase(+)/decrease (-) in stock	-20	-	-20
Increase(+)/decrease (-) in debtors	-3,806	-	-3,806
Increase(-)/decrease (+) in creditors	-200	2,378	2,178
Use of provisions	<u>2,420</u>	<u>75</u>	<u>2,495</u>
Total accruals to cash adjustments	-39,415	-5,272	-44,687
Excess cash to be CFERd	-	-	-
Net cash requirement	73,191	-	73,191

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	-
Total Net Administration Costs	-
Net Programme Costs	
RfR 1	113,218
Total Net Programme costs	113,218
Total Net Operating Cost	113,218
<i>of which:</i>	
Net Resource Outturn	113,218
CFERs	-
Non-voted expenditure	-
Resource Budget Outturn	113,218

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	113,218
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	113,218
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	113,218
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	111,972
Annually Managed Expenditure (AME)	1,246

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	4,660
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	4,660
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,660
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Clerk of the Parliaments is appointed by Her Majesty by Letters Patent and is ex-officio Accounting Officer for the Request for Resources within the House of Lords Estimate.

Request for Resources 1

Paul Hayter, Clerk of the Parliaments

Paul Hayter, as the Principal Accounting Officer (PAO) of the House of Lords has personal responsibility for the proper presentation of the House of Lords' resource accounts and their transmission to the Comptroller and Auditor General. In addition to the responsibilities for the assigned RfR, the PAO remains in general overall charge of the House of Lords administration.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the House of Lords' policies, aims and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating	Non
	A in A	operating
	<u>A in A</u>	<u>A in A</u>
RfR 1: Members' expenses and administration, etc.		
Income from fees and charges	4,750	-
Pension scheme income	854	-
Other sales of equipment	-	-
Total RfR 1	5,604 *	- **
<i>of which: Administration budgets</i>	-	-

*Amount that may be applied as appropriations in aid in addition to the net total, arising from judicial proceedings, private bills, taxation of costs, reproduction of works of art, fees etc., Refreshment Department sales, rental income and other charges.

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

The House of Lords Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	5,916	111,972	-	111,972
<i>of which :Administration Budget</i>	-	-	-	-
Capital	-90	4,660	-	4,660
Depreciation*	-9,421	-21,571	-	-21,571
Total	-3,595	95,061	-	95,061

**Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.*

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	5,604