

House of Lords

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Members' expenses and administration, etc.			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
Subhead B2	Decrease in depreciation and cost of capital charges due to movements in the value of the House of Lords' share of the Parliamentary Estate.	-	-9,487,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
Subhead C2	Increase in non-cash costs due to movements in the value of the House of Lords' share of the Parliamentary Estate.	22,972,000	-
		<u>Total</u>	
Total change in resources for RfR1		22,972,000	-9,487,000
			13,485,000
Total change in resources for Estimate			13,485,000

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

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

House of Lords

Part I

	£
RfR 1: Members' expenses and administration, etc.	13,485,000
Total additional net resource requirement	13,485,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2008 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	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Members' expenses and administration, etc.					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR1 - B Works services	50,634	-9,487	-	-9,487	41,147
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR1 - C Administration	1,159	22,972	-	22,972	24,131
Total RfR 1		13,485	-	13,485	
Total Changes to RfRs		13,485	-	13,485	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	34,350	-	34,350
Non-Operating A in A	-	-	-
Net cash requirement	111,334	-	111,334

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.								
-	126,503	7,640	134,143	6,469	127,674	34,350	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
-	63,578	4,078	67,656	5,260	62,396	949	-	
B Works services								
-	42,356	-	42,356	1,209	41,147	33,401	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
C Administration								
-	20,569	3,562	24,131	-	24,131	-	-	
Total for Estimate:								
-	126,503	7,640	134,143	6,469	127,674	34,350	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	114,189	13,485	127,674
Voted capital items			
Capital	34,350	-	34,350
<i>Less:</i> Non-operating A in A	<u>-</u>	<u>-</u>	<u>-</u>
Total net voted capital	34,350	-	34,350
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-20,067	3,258	-16,809
Depreciation	-14,922	-16,743	-31,665
New provisions and adjustments to previous provisions	-7,302	-	-7,302
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-110	-	-110
Increase(+)/decrease (-) in stock	15	-	15
Increase(+)/decrease (-) in debtors	-100	-	-100
Increase(-)/decrease (+) in creditors	2,332	-	2,332
Use of provisions	<u>2,949</u>	<u>-</u>	<u>2,949</u>
Total accruals to cash adjustments	-37,205	-13,485	-50,690
Excess cash to be CFERd	-	-	-
Net Cash Requirement	111,334	-	111,334

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	-
Total Net Administration Costs	-
Net Programme Costs	
RfR1	127,674
Non-voted	-
Total Net Programme costs	127,674
Total Net Operating Cost	127,674
<i>of which:</i>	
Net Resource Requirement	127,674
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	127,674

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	127,674
<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 in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	127,674
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
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 (Budget)	127,674
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	103,543
Annually Managed Expenditure (AME)	24,131

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	34,350
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	34,350
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	34,350
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 Requests for Resources within the House of Lords Estimate.

Request for Resources 1

Michael Pownall, Clerk of the Parliaments

Michael Pownall as the Accounting Officer of the House of Lords has personal responsibility for the proper presentation of the House's resource accounts and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the House of Lords administration.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for 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 the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2007-08
	<hr/>
RfR 1: Members' expenses and administration, etc.	
Administration	-
<i>of which:</i>	
Programme	6,469
<i>of which:</i>	
Sale of goods and services	5,427
Pension scheme related income	1,042
<hr/> Total RfR1	<hr/> 6,469 †
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: judicial proceedings; private bills; taxation of costs; reproduction of works of art; fees; refreshment department sales; rental income; and other charges.</i>	
<hr/> Total Operating A in A	<hr/> 6,469

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-9,487	-	103,543	-	103,543
<i>of which: †</i>					
<i>Administration budget</i>	-	-	-	-	-
<i>Near-cash in RDEL</i>	-	-	71,803	-	71,803
Capital DEL ††	-	-	34,350	-	34,350
Less Depreciation †††	6,229	-	-8,693	-	-8,693
Total DEL	-3,258	-	129,200	-	129,200

† The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† 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

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	£'000
	6,469