The National Archives, Kew,
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THE NATIONAL ARCHIVES

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Clerk to the Digital, Culture, Media and Sport Committee
House of Commons
London
SW1A 0AA

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SUPPLEMENTARY ESTIMATE 2019-20: ESTIMATES MEMORANDUM

Introduction

The National Archives Supplementary Estimate for 2019-20 seeks the necessary resources and cash to support the functions and activities of The National Archives. These are continuing from previous years and no new functions have been added within this Estimate.

The purpose of this memorandum is to provide the Select Committee with an explanation of how the resources and cash sought in the Supplementary Estimate will be applied to support *Archives for Everyone*, The National Archives' four-year strategic priorities, and to fulfil our Public Task.

Archives for Everyone

Archives for Everyone sets out The National Archives' strategic vision of becoming 'the 21st century national archive' – inclusive, entrepreneurial and disruptive. The National Archives has agreed with Ministers seven strategic goals for the four-year period 2019-23 in support of this vision:

- Change the culture and approach of The National Archives so that in all we do we better reflect and represent the society we serve
- Curate unique national moments of public inspiration and participation, including through the launch of the 1921 Census – the UK's largest ever online release of historical records
- Create new, inclusive and exciting spaces, physical and virtual, in which people can encounter our collection afresh – partnering with The National Archives Trust to widen the public experience and understanding of archives and our history

CUSTOMER SERVICE EXCELLENCE
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The Government Standard

- Lead the archives sector to fulfil the vision set out in Archives Unlocked, promoting our shared values of trust, enrichment and openness
- Generate from our collection and expertise the cutting-edge research opportunities and commercial offers that will realise value and open out more of our collection
- Secure the future of the Government record as an essential resource for public servants and the people – providing legal certainty through legislation.gov.uk and historical perspective through our collection
- Lead the world in reimagining archival practice for the 21st century, pioneering new and ethical approaches to appraisal and selection, description, digital preservation and access

Public Task

The National Archives' Public Task under the Re-use of Public Sector Information Regulations 2015 ('the Regulations') consists of the statutory obligations of The National Archives and the duties of its officials (including those duties delegated by the Secretary of State to the Keeper of Public Records):

- under the Public Records Act 1958 and associated legislation
- under the Historical Manuscripts Commission Royal Warrant
- under Letters Patent, appointing the Controller of Her Majesty's Stationery Office, Queen's Printer of Acts of Parliament and Government Printer of Northern Ireland
- under the Scotland Act 1998, appointing the Queen's Printer for Scotland
- as official publisher of all UK legislation
- as leader of the archives sector in England
- as a non-ministerial government department sponsored by the Department for Digital, Culture, Media and Sport.

This memorandum includes information on comparisons with the resources provided in earlier years in Estimates and departmental budgets, and may also refer to future financial plans.

Spending controls

The National Archives' spending is broken down into several different spending totals, for which Parliament's approval is sought. The spending totals which Parliament votes are:

- Resource Departmental Expenditure Limit ("Resource DEL")- a net limit comprising day-to-day running costs
- Capital Departmental Expenditure Limit ("Capital DEL"): - investment in capital equipment such as computer equipment, electrical improvements and software development.

In addition, Parliament votes a net cash requirement, designed to cover the elements of the above budgets which require The National Archives to pay out cash in year.

Comparison of net spending totals sought

The table below shows how the net spending totals sought for the National Archives last year. All budgets for The National Archives are Voted.

Net Spending total Amounts sought this year (Supplementary Estimate 2019-20) £m		**Compared to original budget last year. (Main Estimate 2019-20)**		**Compared to final budget last year (Outturn 2018-19)**	
	£m	**£m**	**%**	**£m**	**%**
Resource DEL (excluding depreciation)	30.627	31.752	-4	28.504	7
Resource DEL (ringfenced depreciation)	7.000	5.200	35	7.600	-8
Capital DEL	3.200	1.900	68	2.821	13

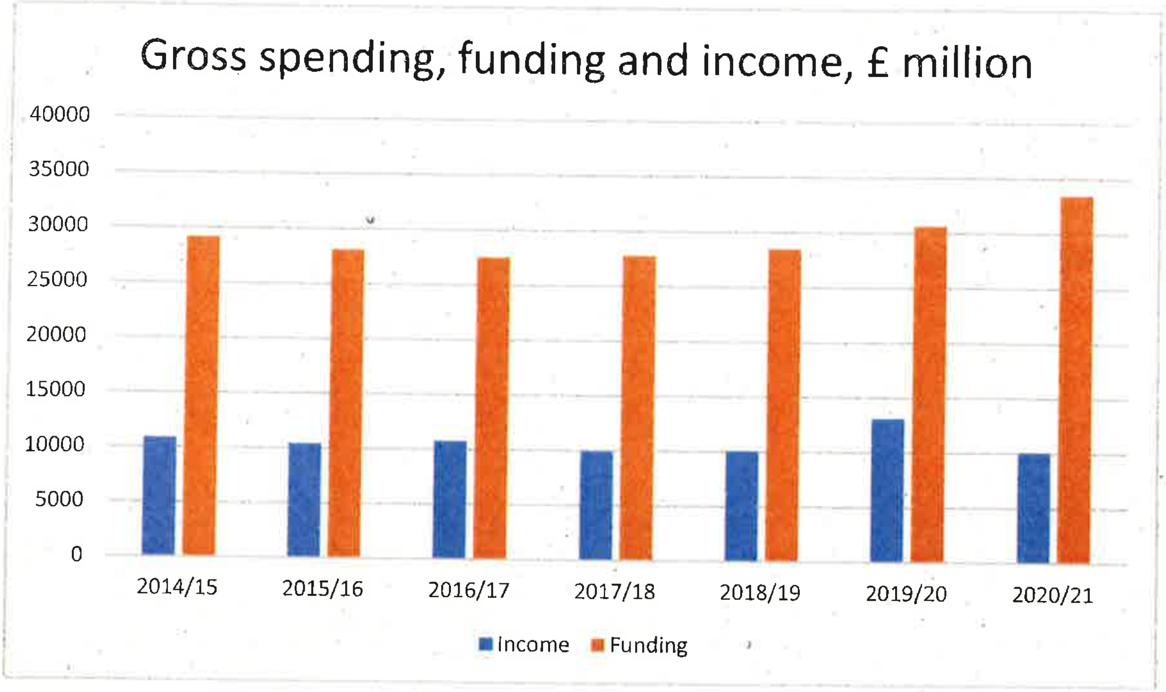
Key drivers of spending changes since original budget this year

The main estimate allocation for depreciation was held at £5.2m throughout the spending review period. The value of our building has risen considerably since the spending review and is the biggest contributor to the increase in depreciation required. This is reviewed at each supplementary estimate.

Accounting treatment for planned intangible software development and estates projects were confirmed as capital spend. As a result Resource RDEL was allocated to Capital DEL, increasing the net capital DEL to £3.2m.

Spending and income trends

The chart below shows overall resource non-ringfenced DEL actual spending and income for the last five years to 2018-19, plans presented in Supplementary Estimates for 2019-20, and our one year settlement for 2020-21.



Funding: Spending Review and Budgets

The National Archives received an uplift in the 2020/21 Spending Review, mainly to support the large increase in business rates. Expenditure in excess of this is funded through either:

- income generated from commercial activities
- additional funding added since the Spending Review, transferred from other departments for specific duties, namely the EU Exit expenditure required (£2.1m) and employer pension funding (£0.73m).

Approval of Memorandum

This memorandum has been prepared according to the requirements and guidance set out by HM Treasury and the House of Commons Scrutiny Unit, available on the Scrutiny Unit website.

The information in this Estimates Memorandum has been approved by myself as Departmental Accounting Officer.

Yours sincerely

Jeff James

Chief Executive and Keeper (Accounting Officer)

The National Archives

The National Archives

Introduction

This Supplementary Estimate is required for the following purposes:

£

Changes in budgets, non-budget voted provision and cash	Increases	Reductions	Total
(Section A): To reflect budget cover transfer	175,000		
(Section A): To reflect increased depreciation charge - programme	1,440,000		
(Section A): To reflect increased depreciation charge - admin	360,000		
(Section A): To reflect movements from current year Resource DEL to Capital DEL		-1,300,000	
Total change in Resource DEL (Voted)	**1,975,000**	**-1,300,000**	**675,000**
(Section B): To reflect movements in current year provision for an onerous lease	14,000		
Total change in Resource AME (Voted)	**14,000**		**14,000**
(Section A): To reflect movements from current year Resource DEL to Capital DEL	1,300,000		
Total change in Capital DEL (Voted)	**1,300,000**		**1,300,000**
To reflect in year movements including changes to creditors		-825,000	
Total change in Net Cash Requirement		**-825,000**	**-825,000**

Part I

	Voted	Non-Voted	Total
Departmental Expenditure Limit			
Resource	675,000	-	675,000
Capital	1,300,000	-	1,300,000
Annually Managed Expenditure			
Resource	14,000	-	14,000
Capital	-	-	-
Total Net Budget			
Resource	689,000	-	689,000
Capital	1,300,000	-	1,300,000
Non-Budget Expenditure	-		
Net cash requirement	-825,000		

£

Supplementary amounts required in the year ending 31 March 2020 for expenditure by The National Archives on:

Departmental Expenditure Limit:

Expenditure arising from:
Ensuring the UK public record - past and future - remains authentic, available and accessible to all including; providing leadership and support to the archive sector across England and Wales; leading on policy and best practice in knowledge and information management for the public sector; setting standards and driving forward the public sector information re-use agenda; official publishing services for the whole of government including publishing all UK legislation and making it accessible online; managing Crown and Parliamentary copyright; administration of The National Archives and other non-cash items.

Income arising from:
Sale of copies of documents; sale of publications and other items and services; professional fees; fees receivable from service providers; sale of non-current assets; grants received to carry out specific projects; reproduction fees and royalties for the publication of images; Crown copyright fees and royalties; fees for the management of third parties' copyright; fees for the management of the Office of the Queen's Printer for Scotland; income from contractual arrangements for official publishing and partnerships to make historical records electronically accessible; and sales and recovery of costs for goods/services provided to other government departments; public bodies and the general public.

Annually Managed Expenditure:

Expenditure arising from:
Onerous lease provision and other AME non-cash items.

The National Archives will account for this Estimate.

Part II: Changes Proposed

£'000

	Net Resources						Net Capital		
	Present		Changes		Revised		Present	Changes	Revised
	Admin	Prog	Admin	Prog	Admin	Prog			
	1	2	3	4	5	6	7	8	9
Spending in Departmental Expenditure Limits (DEL)									
Voted Expenditure	9,695	27,257	535	140	10,230	27,397	1,900	1,300	3,200
Of which:									
A The National Archives (DEL)	9,695	27,257	535	140	10,230	27,397	1,900	1,300	3,200
Total Spending in DEL			**535**	**140**				**1,300**	
Spending in Annually Managed Expenditure (AME)									
Voted Expenditure	-	-14	-	14	-	-	-	-	-
Of which:									
B The National Archives (AME)	-	-14	-	14	-	-	-	-	-
Total Spending in AME			-	**14**				-	
Total for Estimate			**535**	**154**				**1,300**	
Of which:									
Voted Expenditure			535	154				1,300	
Non Voted Expenditure			-	-				-	

£'000

	Present Plans	Changes	Revised Plans
Net Cash Requirement	**33,652**	**-825**	**32,827**

Part II: Revised subhead detail including additional provision

£'000

Revised

Plans

	Resources						Capital		
	Administration			Programme					
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
	1	2	3	4	5	6	7	8	9
Spending in Departmental Expenditure Limits (DEL)									
Voted expenditure									
	10,230	-	10,230	40,497	-13,100	27,397	3,200	-	3,200
Of which:									
A The National Archives (DEL)									
	10,230	-	10,230	40,497	-13,100	27,397	3,200	-	3,200
Total Spending in DEL									
	10,230	**-**	**10,230**	**40,497**	**-13,100**	**27,397**	**3,200**	**-**	**3,200**
Total for Estimate									
	10,230	**-**	**10,230**	**40,497**	**-13,100**	**27,397**	**3,200**	**-**	**3,200**
Of which:									
Voted Expenditure									
	10,230	-	10,230	40,497	-13,100	27,397	3,200	-	3,200
Non Voted Expenditure									
	-	-	-	-	-	-	-	-	-

Part II: Resource to cash reconciliation

£'000

	Present Plans	Changes	Revised Plans
Net Resource Requirement	**36,938**	**689**	**37,627**
Net Capital Requirement	**1,900**	**1,300**	**3,200**
Accruals to cash adjustments	**-5,186**	**-2,814**	**-8,000**
Of which:			
Adjustment for ALBs:			
Remove voted resource and capital	-	-	-
Add cash grant-in-aid	-	-	-
Adjustments to remove non-cash items:			
Depreciation	-5,200	-1,800	-7,000
New provisions and adjustments to previous provisions	-	-	-
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-	-	-
Adjustments to reflect movements in working balances:			
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-1,000	-1,000
Use of provisions	14	-14	-
Removal of non-voted budget items	**-**	**-**	**-**
Of which:			
Consolidated Fund Standing Services	-	-	-
Other adjustments	-	-	-
Net Cash Requirement	**33,652**	**-825**	**32,827**

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

	£'000
	Revised Plans
Gross Administration Costs	10,230
Less:	
Administration DEL Income	-
Net Administration Costs	**10,230**
Gross Programme Costs	40,497
Less:	
Programme DEL Income	-13,100
Programme AME Income	-
Non-budget income	-
Net Programme Costs	**27,397**
Total Net Operating Costs	**37,627**
Of which:	
Resource DEL	37,627
Capital DEL	-
Resource AME	-
Capital AME	-
Non-budget	-
Adjustments to include:	
Departmental Unallocated Provision (resource)	-
Consolidated Fund Extra Receipts in the budget but not in the SoCNE	-
Adjustments to remove:	
Capital in the SoCNE	-
Grants to devolved administrations	-
Non-Budget Consolidated Fund Extra Receipts in the SoCNE	-
Other adjustments	-
Total Resource Budget	**37,627**
Of which:	
Resource DEL	37,627
Resource AME	-
Adjustments to include:	
Grants to devolved administrations	-
Prior period adjustments	-
Adjustments to remove:	
Consolidated Fund Extra Receipts in the resource budget	-
Other adjustments	-
Total Resource (Estimate)	**37,627**

Part III: Note B - Analysis of Departmental Income

£'000

	Revised Plans
Voted Resource DEL	**-13,100**
Of which:	
Programme	
Sales of Goods and Services	-13,100
Of which:	
A The National Archives (DEL)	-13,100
Total Programme	-13,100
Total Voted Resource Income	**-13,100**

Part III: Note C - Analysis of Consolidated Fund Extra Receipts

No CFER income or receipts are expected in 2019-20.

Part III: Note D - Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following individuals are responsible for the expenditure within this Estimate:

Accounting Officer: Jeff James

Jeff James has personal responsibility for the proper presentation of the department's resource accounts and their transmission to the Comptroller & Auditor General, 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 (including any Accounts Direction) 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 Financial Reporting Manual (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for regularity and propriety of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are also set out in Chapter 3 of Managing Public Money.