House of Commons

FINANCE COMMITTEE

Decisions from the meeting held on Tuesday 6 December 2022 at 12.30pm in The Macmillan Room, Portcullis House

Members present:
Clive Betts (in the Chair)

Sir Geoffrey Clifton-Brown
Marion Fellows
David Simmonds
Mark Tami
Dame Rosie Winterton

Apologies: Harriett Baldwin, Nick Brown, Felicity Buchan, Gareth Davies, Dame Eleanor Laing.

1. Informal notes

The informal notes of the 18 October and 8 November were agreed.

2. Matters arising

There were no matters arising.

3. Independent Review of Financial Management in the House of Commons: Implementation Plan

The Committee endorsed the implementation plan and noted the proposed next steps.

4. Fees and Charges

The Committee agreed to recommend to the Commission the Fees and Charges schedule for 2022-23.

5. Medium Term Financial Plan including supplementary estimate

The Committee agreed to recommend to the Commission the Medium-Term Financial Plan as follows, noting it would form the basis for the Administration Estimate:

a) Noted that the submissions from teams over the MTFP period are affordable against the remit of a 2% maximum increase year on year against the 2022–23 budget:

b) Agreed the 2023–24 three-year MTFP as follows:

i) A cash resource budget of £320.7m (Year 2: £327.1m and Year 3: £333.7m)

ii) A non-cash resource budget of £59.2m (Year 2: £63.0m and Year 3: £60.8m)

iii) A capital budget of £150.1m, which represents an 18% reduction compared to 2022–23 (Year 2: £204.6m and Year 3: £139.2m)

iv) An outside remit cash resource budget of £3.6m (Year 2: £12.0m and Year 3: £6.0m) for known costs

c) Agreed to treat as exceptional and outside the remit the provision for general election costs and the increased requirements on the members' security budget;

d) Agreed that changes relating to sharing ratios for bicameral teams and the transfer of the Sponsor Body and in-house R&R team can be treated as budget neutral expenditure outside the scope of the remit.

The Committee agreed to recommend to the Commission the Administration Supplementary Estimate for 2022-23 which, subject to final advice to the Accounting Officer in January would include:

a) a reduction in capital of £43m;

b) a decrease in cash resource of £16m;

c) an increase in resource of £4.2m for the transfer of the Sponsor Body in house (£3.6m resource, £0.6m capital);

d) an increase in non-cash resource of up to £15m, largely to cover the implementation of IFRS 16 Leases.

6. Business Case: Portcullis House Mechanical and Electrical Lifecycle

The Committee agreed to provide a summary of their discussion to the Accounting Officer.

7. Quarterly Portfolio Report (Q2)

The Committee took note of the report.

8. Papers to Note

The Committee noted the following papers:

- **Financial Management Report Period 7**
- **Letter from the Chair to the Commonwealth Parliamentary Association (CPA), 11 November 2022**
- **Letter from the CPA to the Chair, 29 November 2022**

9. Any other business

There was no other business.

10. Date and time of next meeting

The Committee agreed to meet on Tuesday 10 January at 12.30 pm.