House of Commons

FINANCE COMMITTEE

Decisions from the meeting held on Tuesday 7 January 2025 at 3.00 pm

Members present:
Steve Barclay (in the Chair)

Matt Bishop	Lillian Jones
Irene Campbell	James MacCleary
Nusrat Ghani	Andrew Murrison
Clive Jones	Sean Woodcock

Apologies: Phil Brickell and Kate Osborne.

1. Minutes of the meeting on 3 December and matters arising

   The Committee agreed the minutes of 3 December.

   The Chair reported back on the Commission meeting held on 9 December.

2. Supplementary Estimate for 2024/25

   The Committee agreed the Supplementary Estimate for 2024/25, with the amounts to be finalised by the Accounting Officer, noting the Committee had not been formed sufficiently long to scrutinise the proposals in full, but that the changes were recommended by House Officials. The Committee noted its concern at the underspend in capital expenditure and use of out of remit resource.

   The recommended Supplementary Estimate:
   a. **Makes no change to the existing in remit resource budget of £327.1m;**
   b. **An increase in the outside of remit resource cash of £3.9m to £39.3m;**
   c. **For non-cash resource, increasing the Estimate by £13m for property valuation adjustments, resulting in a total budget of £71m;**
   d. **For capital, reducing the Estimate by £8-10m, resulting in a total budget of no more than £155.5m;**

   Reducing the net cash requirement by £6.1m to £521.9m

3. Medium Term Financial Plan 2023–26

   The Committee recommended the Estimate as proposed to the Commission with significant reservations noting:
   - **This was the Committee's second meeting and it had not had time to scrutinise the proposed budget in full, and it was working on the basis of recommendation from House Officials;**
   - **That assurance is provided that the proposed increases to fund rent and rates are justified in terms of being the best value for the taxpayer;**
   - **That detail is provided on the Streetscape project in February, to include the funding arrangements with other partners and any legal arrangements, and before any further commitments are made;**

- **Concern at the growth in out of remit expenditure and growth in addition to the planned 2% increase of in remit expenditure. The Committee expects to scrutinise this in more detail in future years;**
- **That regular headcount data be provided to assess management of resource spend;**
- **Concern at the increase in capital and the capacity to deliver the proposed spend, and the Committee requested a detailed update in March in this area.**

The recommended Estimate for 2025/26 is for:

a. **An overall resource budget is £395.1m, made up of £343.1m of in remit expenditure and £52.1m of out of remit expenditure;**
b. **A non-cash resource budget of £85m;**
c. **A capital budget of £195.5m.**

4. Parliamentary Commercial Directorate

The Committee took note of an update on the organisation and work of the Parliamentary Commercial Directorate.

5. Remit of the Committee

The Committee agreed to consider this matter in February.

6. Take note

The Committee took note of the following papers:

- **Financial Management Report, November 2024**

7. **Any Other Business**

8. Date and time of next meeting

The Committee agreed that its next meeting would be on Tuesday 4 February at 3.00 pm.