

House of Lords Excess Vote 2024-25 Response to the Committee of Public Accounts

Following the publication of the Committee's report *Excess Votes 2024-25* the House of Lords response to the recommendation is as follows.

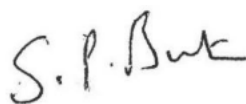
The excess against the Voted Resource Annually Managed Expenditure limit arose as a direct consequence of updated property valuations following a comprehensive review of floor space measurements undertaken by the Parliamentary Estates team and provided to the Valuation Office Agency late in the 2024-25 financial year.

The review was commissioned in response to an external audit recommendation to ensure compliance with relevant professional auditing standards. The revised measurements resulted in a reduction in floor spaces across three House of Lords properties, which led to a significant loss in valuation.

The final full impact of the valuation adjustment was not known at the time the Supplementary Estimate was prepared, which relied on the latest interim valuations. The final valuations, which were received after the supplementary estimates process, resulted in a significantly greater valuation loss than anticipated. The House of Lords was authorised a Voted Resource Annually Managed Expenditure limit of £2,500,000. Against this limit, it incurred an outturn of £4,024,000 exceeding the authorised limit by £1,524,000.

A review of the circumstances that led to the issue has been undertaken, and enhanced controls are now in place. Forecasting processes have been strengthened to ensure potential valuation movements are identified earlier and reflected appropriately, this includes more robust scenario planning and enhanced sensitivity analysis of the interim valuation when received.

Internal controls around the valuation timetable have also been enhanced. There is now earlier and more frequent engagement with the Parliamentary Estates team and the Valuation Office Agency during the valuation process. These actions provide strengthened assurance over the valuation process and reduce the risk of similar breaches occurring in the future.



Simon Burton
Clerk of the Parliaments

16 March 2026