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HM TREASURY

Role of Parliament

Voting expenditure through Estimates

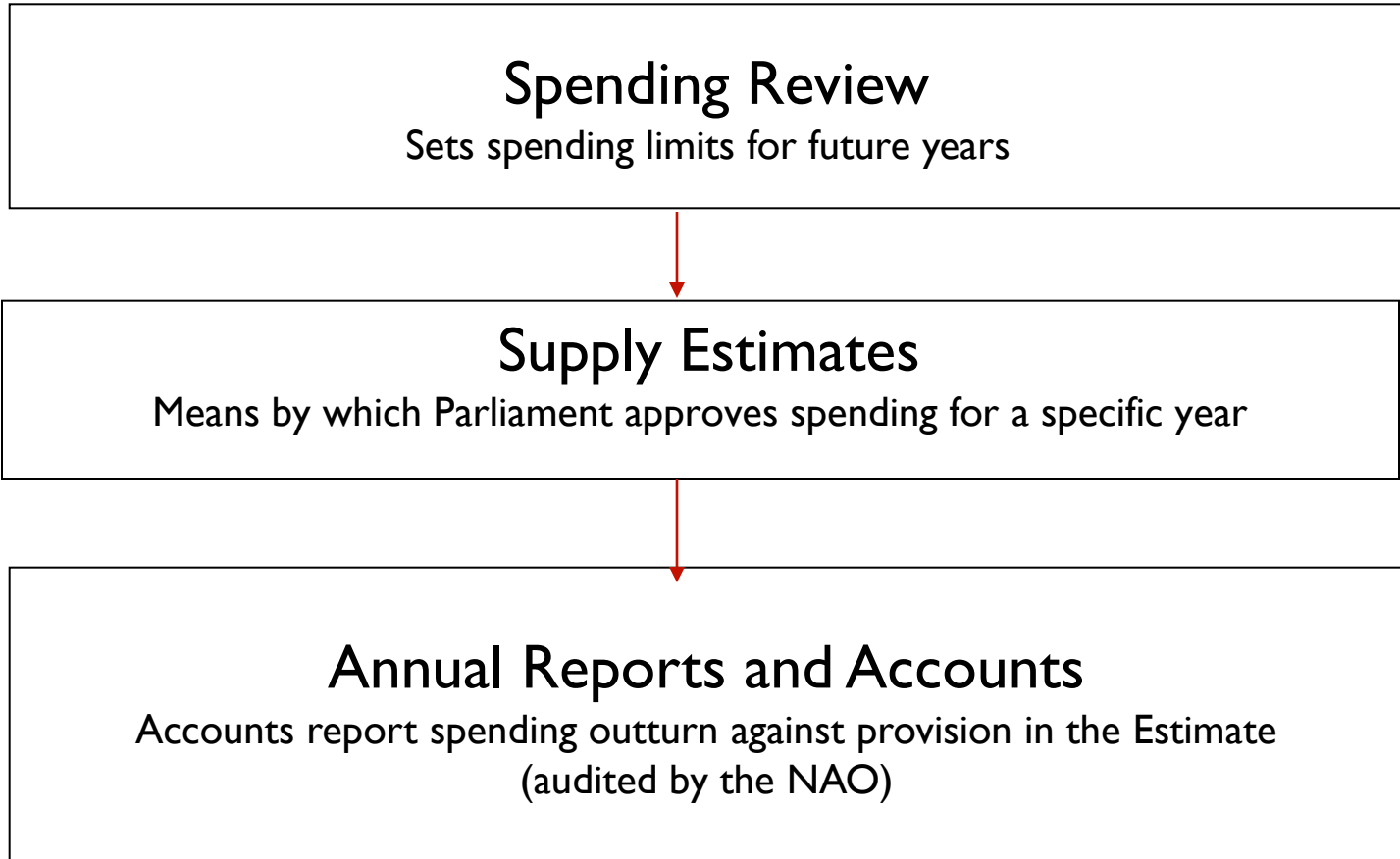
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By Debbie McNicholas, Gary Hansman, Expenditure
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How Supply Estimates fit into the public spending framework





What are Supply Estimates?

- Long-standing parliamentary process for providing legal authority for spending and retention of income;
- Parliament scrutinizes, debates and votes on spending in the Estimates;
- Most spending by departments (resources, capital and cash) requires specific parliamentary approval each year.



Who presents and when?

- Supply Estimates compiled at departmental level, but presented to Parliament by the Treasury;
- Estimates for independent parliamentary bodies are presented separately;
- **Main Supply Estimates** – presented around start of the financial year to which they relate, as soon as possible after the Budget (usually in April);
- **Supplementary Estimates** – seek additional resources, capital and/or cash in –year. There will be one Supplementary round, presented in January/February;
- **Out of turn Estimates** – very rare but available, if needed.



What's included in Supply Estimates?

- All spending within a department's budget;
- Includes spending by core department and spending by any arm's length bodies;
- As Estimates include all spending in budgets, they may include spending which already has its own statutory authority (e.g. judges salaries).



How is the information shown?

The Estimate sets out:

- Provision required on a budgetary basis – includes any non-budget spending that requires parliamentary approval;
- Any non-voted spending in budgets;
- What the provision is to be spent on and details of income to be retained to offset spending;
- Any Notes providing further disclosure to Parliament.



Overspending – Excess Votes

- Overspending of the specific limits voted by Parliament is regarded as an Excess Vote;
- Any excesses are identified at the year-end when outturn is compared to the provision in the Estimate and published in the Annual Report and Accounts ;
- Public Accounts Committee reports on any Excess Votes;
- Parliament grants formal retrospective approval to any unauthorized spending.