


CONFIDENTIAL

Ref. A02640

PRIME MINISTER

Cost of Parliament

(C(80) 42)

BACKGROUND

The Cabinet last discussed the cost of Parliament on 22nd May (CC(80) 20th Conclusions, Minute 4) on the basis of a paper by the Chancellor of the Duchy of Lancaster (C(80) 28). The Chancellor was invited to hold informal talks with the Speaker, the Opposition, and the House of Commons Commission to seek their support for his proposals for:

- (i) a review by the Commission of the system of control over the staffing and administrative costs of the House of Commons, including the possible imposition of cash limits;
- (ii) providing opportunities for the Government rather than just the Leader of the House (as a member of the Commission) to comment on proposals involving significant increases in expenditure; and
- (iii) meeting the cost of printing, stationery and computing on a repayment basis so that financial control in these areas would become the direct responsibility of the House.

The Chancellor's memorandum (C(80) 42) reports the progress which he has so far made in private discussion of these issues with the Commission.

2. The Speaker is to take the advice of his Counsel on changing the Instruments of Delegation (which at present give the heads of departments almost total discretion in staffing matters) to give the Commission more direct control over the staffing of the House. It has been agreed that an Inspector of Staffing should be appointed. A small number of Members are to be appointed to bodies to supervise the administration of all departments of the House on the lines of those which already oversee the Library and Refreshment Departments, but the Commission is not willing to consult the Government about increases in expenditure. The Commission has rejected

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the imposition of cash limits on the House by the Government, but will introduce its own system in due course. A further report is to be obtained by the Commission on the financing of printing, Hansard and stationery. What all this appears to amount to is that the Commission recognise the need for better control of expenditure but are maintaining their independence in deciding how to achieve it.

3. At its meeting on 22nd May, Cabinet also invited the Lord President to ask the House of Lords Offices Committee to accept the repayment basis for printing, etc., and invited the Secretary of State for Social Services to arrange for a record to be kept next Session of the indirect costs of Parliament for his Department. All Ministers were invited to inform the Chancellor of the Duchy of Lancaster of any apparent abuses of travel arrangements by Departmental Select Committees. (The only case since reported is that mentioned by the Secretary of State for Employment at Cabinet concerning the visit of the Employment Committee to Scotland.)

HANDLING

4. You will wish to ask the Chancellor of the Duchy of Lancaster to introduce his paper. As a progress report, it does not call for lengthy discussion, but you may wish to ask the Chancellor of the Exchequer for his reaction to the paper. You might also ask the Lord President whether there has been any progress on the parallel proposals for the Lords (he may have been awaiting the reaction of the House of Commons Commission to the printing proposals before taking any initiative with the House of Lords Offices Committee on this subject). You will want to discover whether the Cabinet thinks that the report represents sufficient progress, or whether the Chancellor of the Duchy should be invited to consider how the Commission could be induced to move faster and further.

CONCLUSIONS

5. The Cabinet need do no more than take note of the Chancellor's paper and invite him and the Lord President to report any further significant developments in due course.

ReA

(Robert Armstrong)

16th July, 1980

ACTION

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1
Parliament

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C(80) 42

14 July 1980

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2

CABINET

Prime Minister

*None of this sums as well as
we have made in the long of
with in it.*

THE COST OF PARLIAMENT

PLJ

Memorandum by the Chancellor of the Duchy of Lancaster

14 vii

1. Following our discussion in Cabinet on the cost of Parliament (C(80) 28 and CC(80) 20th Conclusions, Minute 4), I held a private meeting with members of the House of Commons Commission on 7 July.
2. The Commission considered a paper which I had prepared on the control of Parliamentary expenditure. It was decided that the Speaker should seek the advice of Sir Robert Speed (Speakers Counsel) on a change in the Instruments of Delegation to ensure that the Commission have a more direct control over staff increases in the House, and it was also agreed that an Inspector of Staffing should be appointed.
3. On financial expenditure, the Commission decided that in order to have a greater control in the various departments of the House there should be a small number of Members of Parliament selected to supervise administration of all departments other than the Library and Refreshment Departments, where such bodies already existed. A member of the Commission should be the Chairman of each of these supervisory bodies. The Commission decided against referring proposals involving significant increases in expenditure to the Government, as they felt that the Government's view could be adequately expressed by the Leader of the House.
4. It was decided that the Commission could not agree to Government cash limits being imposed on the House, but that the Commission itself would undertake to impose its own cash limits when it had a complete picture of the financial expenditure of individual departments.
5. The Commission decided that a further report should be obtained on the proposal that printing should no longer be paid for out of departmental votes, but should be met from the House of Parliament Vote on a repayment basis.
6. At this stage, the Commission are not proposing to disclose their conclusions to the House as a whole, but will maintain confidentiality until the timing and form of an announcement can be considered. The record of the private meeting is being circulated to the Commission as a formal paper on 15 July.

No cash limits

*① Scope for economies
Imp. 7/26/80*

*② Grading.
Leader does
House officials
& CSO.*

*③ Failed to get
cash limits*

*④ How when
cash limit
by 15/7/80
spends*

N St J S

Privy Council Office

14 July 1980

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