

Confidential Filing

Cost of Parliamentary Questions

PARLIAMENT

July 1982

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
19-7-82							
22-7-82							
28-7-82							
6-8-82							
17-12-9,							
PREM 19 / 3873							



William
This has happened
earlier than planned!
We shall obviously have
to wait for MPC reaction and
hope 'achievements' has
been forgotten.
AS

Roy
Mrs is one of
the diners this morn!

Treasury Chambers, Parliament Street, SW1P 3AG

071-270-4520

Dear Parliamentary Clerk

15 January 1992

DISPROPORTIONATE COST THRESHOLD FOR WRITTEN PQs

You will wish to be aware that the disproportionate cost threshold will be increased from £250 to £400 from 14 January 1992. The last increase took place on 14 March 1988.

An arranged Parliamentary Question to announce the new 'threshold' has been tabled in both Houses for answer on 14 January. The 'threshold' applies to written Parliamentary Questions only.

In simple terms, the purpose of the 'threshold' is to act as a bench mark for questioning whether to answer in full those written Parliamentary Questions which are potentially particularly expensive. Ministers, of course, may still decide to answer such Questions in full irrespective of cost.

To ensure Parliamentary Sections are fully in the picture, I enclose a copy of a guidance note which is being sent today to all Principal Finance Officers and Chief Executives of Agencies.

Yours sincerely

BRIAN DYER

- | | | | | |
|----|-------|------|-----|--------|
| cc | MAFF | CSO | COI | C & E |
| | MoD | DES | DES | D. Emp |
| | D. En | DoE | FCO | DH |
| | HMSO | HO | IR | LCD |
| | LPS | LPC | DNS | NILO |
| | NIO | OPCS | ODA | RFS |
| | SO | DSS | DTI | D. Tp |
| | WO | | | |
- Attorney General's Office
Crown Estate Office
Royal Mint

PFO/92/1

15 January 1992

PRINCIPAL FINANCE OFFICERS

COSTING PARLIAMENTARY QUESTIONS

Note by HM Treasury

The attached note offers guidance on how to calculate the cost of answering parliamentary questions. It also advises on the procedures to follow, where the estimate of answering a written PQ exceeds £400 - the new 'disproportionate cost threshold'.

Contact point:

D Burford
HM Treasury
071-270-5316

Treasury Chambers
Parliament Street
London SW1P 3AG

Distribution

Principal Finance Officers
Agency Chief Executives
COGPEC

COST OF PARLIAMENTARY QUESTIONS

Following a major survey of the costs of preparing answers to parliamentary questions (PQs), the latest average figures were published by arranged PQ on 10 December 1991. These were £87 and £202 for written and oral PQs respectively.

2. To reflect these updated costs, the Prime Minister has agreed, on ministerial recommendation, that the disproportionate cost threshold for written PQs should be increased to £400 from 14 January 1992. There will continue to be no threshold for oral PQs. The way in which the cost of answering written PQs should be calculated has been clarified as below.

3. The purpose of the disproportionate cost procedure is to act as a benchmark for questioning whether to answer written PQs whose cost is estimated to be very high. Where the cost of preparing an answer is considered likely to exceed the threshold a PQ may be referred to the appropriate Minister. An answer may then be refused, in whole or in part, on the grounds of disproportionate cost. Alternatively, as the threshold is an advisory limit only, the Minister may decide that the PQ is to be answered irrespective of cost.

4. The threshold of £400 refers to the marginal cost and not the full cost of a written PQ. The marginal cost is the direct cost of Civil Servants' time spent preparing the answer or producing the facts and figures towards it. It excludes

the standing costs of parliamentary branches and Ministers' offices and the fixed cost of staff accommodation. To calculate the marginal cost the hourly rates used for staff costs should be those which include all overheads except accommodation costs.

5. The main reasons for using this marginal cost approach for threshold calculations are simplicity and speed. Line managers need only estimate the number of staff hours and multiply by the appropriate rate per grade. For example 20 hours of an SEO's time spent on a PQ at an assumed rate of £20 per hour (excluding accommodation costs) would represent a marginal cost of £400. (Departments will need to use the rates from their own departmental ready reckoners of staff costs.)

6. It also simplifies the calculation to exclude accommodation costs since these may vary substantially between regions or even between buildings.

7. The use of marginal costs is not a major change in policy and applies only in the case of threshold calculations. It is justifiable in this case because the Threshold of £400 has been calculated on the same marginal cost basis and follows the same accounting principles.

8. In all other cases of PQ costs, full costs should be used, including accommodation costs. The 1991 statement to Parliament was based on the use of full costs for reporting PQ costs, in view of the priority and importance given to PQs in

the work of departments. Full costs were used in the 1991 survey to calculate the average costs of £87 and £202 for written and oral PQs respectively.

9. The disproportionate cost threshold is not intended to override any other valid reason why an answer to a PQ may be refused.

10. The threshold applies to written PQs only. There is no threshold for oral PQs.

(13/1/92)



10 DOWNING STREET

Wynia Amade
Yes Wbe
with
7/11

With reference to below;
the appropriate time to
table an arranged PQ
should be decided by you,
in agreement with
Sir Robin Butler's office
(as they were first to
raise the objection originally)

Shall I ask CF to BF
the papers to you, say,
mid-February - when
the 'dust' should have
'settled'?

Amade
7.1.92



10 DOWNING STREET

Waller,

Amenda

knows when x
will be? A goodish
time after the Flynn
are

For information I attach the
cost of PQ's file; see flag A.

I hope!

A cost question on the
schemes PQ from Paul Flynn
will be answered on 13.1.92.

When a suitable date has
been decided for the inspired
PQ on the disproportionate cost
threshold, it may be wise
to write to interested
parties for Q and A
briefing for Questions.

Arader

7.1.92



*File to
Raeley/Coar*

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

16 December 1991

Dear Janet

THE DISPROPORTIONATE COST THRESHOLD FOR PQs

The attached formal response to the Economic Secretary's letter has been given wide circulation so that all Cabinet Ministers will be aware of plans for the new cost threshold.

As far as the timing of the announcement is concerned, since inevitably just before the Christmas Recess and the turn of the year there are a few inspired PQs which would be close to or indeed over the old threshold, the Prime Minister feels it would be sensible to announce this change once the House returns after the Christmas Recess.

I am copying this letter to Tim Sutton (Office of the Lord President), Douglas Slater (Government Whips Office, House of Lords), and Murdo Maclean (Office of the Chief Whip), and *Sonia Phppard*.

Yours sincerely
Dominic Morris

DOMINIC MORRIS

Miss Janet Bailey,
Office of the Economic Secretary,
HM Treasury.

h



*File to
Party/Dir/Arch.*

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

16 December 1991

Dear Janet

THE DISPROPORTIONATE COST THRESHOLD FOR PQs

The Prime Minister has seen the Economic Secretary's letter of 6 December. He is content for the thresholds to be raised from £250 to £400.

I am copying this letter to Tim Sutton (Office of the Lord President), Gillian Kirton (Office of the Lord Privy Seal), Douglas Slater (Government Whips Office, House of Lords), Murdo Maclean (Office of the Chief Whip), to the Private Secretaries to other Members of the Cabinet, and to Sonia Phippard (Cabinet Office).

*Yours sincerely
Dominic Morris*

DOMINIC MORRIS

Miss Janet Bailey,
Office of the Economic Secretary,
HM Treasury.

11

UNCLASSIFIED



Prime Minister

ac Qs
① A

No one else has commented.
Sir Robin is content with the (small)
number implications of this change.
I suggest though that the arranged PQ answering
this is deferred until
after the Xmas recess.

Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon John Major MP
Prime Minister
10 Downing Street
LONDON SW1

The 1990/91 Government achievements
PQ is due next week. They are always
expensive to produce + it would be insensitive
to juxtapose this
announcement with it.

6 December 1991

Agree?
Dunne
13/12

Dear Prime Minister

THE DISPROPORTIONATE COST THRESHOLD FOR PQs

The Lord President, the Lord Privy Seal and I have been reviewing the cost level (threshold) which triggers consideration of whether or not answers to written Parliamentary Questions (PQs) can be fully or partially declined on the grounds of disproportionate cost. Currently this threshold is £250 and we recommend that it should be increased to £400.

2. This threshold for disproportionate cost is an advisory limit and is not obligatory. Any written PQ where the marginal cost of preparing the answer is considered likely to exceed the threshold may be referred to the appropriate Minister and an answer may be refused in whole or in part on the grounds of disproportionate cost. Alternatively the Minister may decide that the PQ is to be answered irrespective of cost.

3. For the marginal cost, the divisional costs of preparing the answer to the PQ are estimated i.e. the costs in divisions (without taking account of the standing cost of Parliamentary Branches). The fixed cost of staff accommodation is also excluded from this marginal cost calculation and this also contributes to ease of calculation in departments.

4. When the threshold was last increased in 1988 the average marginal cost was £33 and the £250 threshold was a multiple of nearly eight times the average marginal cost. If this multiple of 8 were applied to the 1991 survey's average marginal cost of £50 the new disproportionate cost threshold would be £400.

5. At this level it is estimated that it would affect around 2% of written PQs. The figure of around 2% is broadly in line with the intention when the procedure was introduced, namely that only a small percentage, representing the most expensive PQs, should be brought to the attention of Ministers.

6. As was agreed in 1988 we would propose to continue to review this figure annually but only propose further increases in £50 steps (rounded upwards) when such increases are justified by indexation. An increase to £400 is necessary on this occasion because a review during 1991 of the average cost of answering PQs has produced a new base line for the disproportionate cost calculation.

7. In view of the possible sensitivity of this move we thought it advisable to seek your agreement before implementing the new figure.

8. I am copying this letter to the Lord President, the Lord Privy Seal, the Chief Whips and other members of the Cabinet and Sir Robin Butler.

Yours ever

JM

JOHN MAPLES

Parliament

Wm J. J.



Y SWYDDFA GYMREIG
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 01-233 3000 (Switsfwrdd)
01-233 6106 (Llinell Union)

WELSH OFFICE
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 01-233 3000 (Switchboard)
01-233 6106 (Direct Line)

Oddi wrth Ysgrifennydd Gwladol Cymru The Rt Hon Nicholas Edwards MP From The Secretary of State for Wales

6th August 1982

De J. J.

Thank you for sending me a copy of your minute of 15 July to the Prime Minister about the cost of Parliamentary Questions.

It is not often that Welsh Office Ministers do not reply fully to Parliamentary Questions on the grounds that the information requested is not available except at disproportionate cost. In the present Session to date we have done this on only 10 occasions. I have no objection however to your proposal that the "trip wire" should be increased to £200 from the beginning of the 1982/83 session.

I am sending copies of this letter to the other recipients of yours.

J. J.
Neil

The Rt Hon The Baroness Young
Lord Privy Seal
Management and Personnel Office
Whitehall
LONDON

W. N. K.



8
9
7
6
5
4
3
2
1

-6 AUG 1962

JF1246



Secretary of State for Industry

Parliament

DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
123 VICTORIA STREET
LONDON SW1E 6RB

TELEPHONE DIRECT LINE 01-212 3301
SWITCHBOARD 01-212 7676

28 July 1982

J Buckley Esq
Lord Privy Seal's Office
Foreign Office
Downing Street
LONDON
SW1A 2AL

GM
307

Dear Jim,

COST OF PARLIAMENTARY QUESTIONS

Baroness Young wrote to the Prime Minister on 15 July about the procedure whereby Ministerial approval should be sought before work is undertaken on PQs whose answers would require work costing more than £50.

2 My Secretary of State agrees that the limit of £50 is out of date and is content that a revised limit of £200 should be introduced and rigorously observed from the beginning of the 1982/83 Session.

3 I am copying this to the Private Secretaries to Cabinet Ministers, to Murdo MacLean in the Chief Whips Office, Harry Bush (Mr Heyhoe's Office), Dana Wright (Cabinet Office) and to Sir Derek Rayner's Office.

Yours ever,

Caroline Varley

CAROLINE VARLEY
Private Secretary

13 0 JUL 1982



Handwritten scribbles in red ink, possibly remnants of a signature or address.





Parliament
W
22/7

FCS/82/106

LORD PRIVY SEAL

Cost of Parliamentary Questions

1. The Foreign and Commonwealth Office rarely needs to employ the disproportionate cost answer. I would see no objection to the increase to £200, suggested in your minute of 15 July to the Prime Minister, as a maximum cost for answering Parliamentary Questions.

2. I am copying this minute to the recipients of yours.

(FRANCIS PYM)

Foreign and Commonwealth Office

22 July 1982



10 DOWNING STREET

From the Private Secretary

19 July 1982

cf
MTJ
cc Questions
Parliament
file

Dear Jim

Cost of Parliamentary Questions

The Prime Minister has seen the Lord Privy Seal's minute of 15 July. She is content with the proposal that Ministers should be consulted in advance where answering a PQ is likely to cost more than £200. She agrees that the old limit of £50 is now out-of-date. She is happy for this new procedure to be introduced at the beginning of the 1982/83 session.

I am copying this to the Private Secretaries to Cabinet Ministers, and to Murdo Maclean (Chief Whip's Office), Harry Bush (Mr. Hayhoe's office, HMT), David Wright (Cabinet Office) and Sir Derek Rayner's office.

Yours ever

Willie Rickett

Jim Buckley Esq
Lord Privy Seal's Office.

BR

Prime Minister 1



The Lord Privy Seal and Lord President propose that Ministers should be consulted in advance where

answering a PQ is likely to cost more than £200. The old limit of £50 is now out of date, and is less than the cost of the average oral answer.

PRIME MINISTER

Yes no

COST OF PARLIAMENTARY QUESTIONS

Content?

The Lord President and I have been reviewing the current practice of bringing to Ministers instances where the cost of preparing an answer to a PQ would be disproportionately expensive. This minute sets out our joint conclusions.

WM
16/7

At present this monitoring of replies should be achieved through a "tripwire" procedure. Under this, Ministerial approval should be sought in advance where the work involved in answering a PQ is likely to cost more than £50. This procedure was introduced in 1965, when a PQ reply costing more than £50 was exceptional. This is no longer the case. About 30 per cent of replies are estimated to cost more than this, and in practice the "tripwire" procedure has become widely ignored. In fact the average cost of an oral Answer (£60) exceeds the "tripwire", which is now made public as a result of Mr Ben Ford's PQ answered on 13 July (copy attached).

The overall cost of answering PQs is now estimated at £1,230,000 a year. Much of this, especially the number of PQs tabled, is outside our control. But it seems worthwhile to seek to ensure that Questions are not automatically answered in full regardless of cost. The maintenance of some sort of "tripwire" to draw Ministers' attention to potentially expensive replies still seems the best way of achieving this.

To be effective, however, the level of the "tripwire" clearly needs to be fixed at a point which does not overburden Ministers with these cases; which makes a significant potential contribution to administrative economy: and will not lead to "disproportionate expense" being quoted in reply to Questions so frequently as to give rise to Parliamentary criticism.

The Lord President and I suggest that a level of £200 would be appropriate for this purpose. In value it would represent rather less than the £50 limit when it was first fixed in 1965. It would apply to something under 1 per cent of Questions - some 200 to 250 annually, and about 6 per cent of current costs. It would, of course, still be open to any Minister to reply fully to any Question irrespective of the work involved, if he considered this to be necessary in a particular case. Subject to your agreement, therefore, and that of colleagues, it is proposed to make

arrangements for the introduction of the proposed £200 "tripwire"
at the beginning of the 1982-83 Session.

I am copying this minute to the Lord President, to Cabinet
colleagues, the Chief Whip, Barney Hayhoe, Sir Robert Armstrong
and Sir Derek Rayner. I would appreciate colleagues' replies
by the end of July.

Baroness Young

BARONESS YOUNG

15 July 1982

Parliamentary Questions

Mr. Ford asked the Minister for the Civil Service what is currently the cost of answering a parliamentary question (a) for oral answer and (b) for written answer; at what level of cost a substantive reply is not given on the grounds of disproportionate expense; on what basis each of these figures is calculated; and whether the calculations reflect the real or a notional cost.

Mr. Hayhoe [*pursuant to his reply, 12 July 1982*]: The costs of individual questions vary considerably, but the current average cost is assessed at £60 for oral answers and £37 for written answers. These figures are based on a Service-wide survey of staff time by grade, the results of which are periodically revalued to reflect movements in staff costs. They are not, therefore, notional costs.

An advisory figure of £50 was introduced in 1965 as the level at which Ministers might consider whether the expense of a full reply was justified. It is for individual Ministers to decide particular cases, and there is no upper level of cost which automatically disqualifies a question from answer.

Grey Scale #13



A 1 2 3 4 5 6 **M** 8 9 10 11 12 13 14 15 **B** 17 18 19



Inches 1 2 3
Centimetres 1 2 3 4 5 6 7 8

Colour Chart #13

Blue Cyan Green Yellow

