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22 July 2010

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Ref: 10/534

Re: Freedom of Information Act 2000: Costing of Reviews and Forums

Thank you for your enquiry dated 24 June 2010. I am treating your request under the Freedom of Information Act 2000.

You asked for –

an estimated costing for each of a number of reviews and forums and for the National Spending Review; most of these are mentioned in the June budget.

The implementation costs of Budget policy decisions are listed at Table 1 on page 40 of the Budget Report – http://www.hm-treasury.gov.uk/junebudget_documents.htm. The policy formulation and development phase of such initiatives, including the initiatives you have enquired about, are often minimal in relation to the scale of the policy concerned.

In relation to the identification of specific costs for the 2010 Spending Review, Spending Reviews are a major component of Treasury work, but work in this area is by no means restricted to the Treasury; it involves officials from all departments and in all areas – policy, operations and corporate services. The Government has stressed that the challenges of this Spending Review are to be owned by the Cabinet as a whole, rather than being solely driven by the Treasury and the Government has been keen to draw on the knowledge and expertise, not just of managers, but of public sector workers at the 'coal face'. Given this, it is difficult to produce any reliable estimate of the cost of the 2010 Spending Review and our systems do not collect relevant data on this.

In relation to the other workstreams you have asked about, these will be delivered from within existing departmental budgets in aggregate at no additional cost. Policy departments work flexibly to address Government priorities; new priorities are generally addressed from existing resources, with other work being re-prioritised accordingly. Often, there will be no dedicated team and the work will be accommodated alongside other day-to-day responsibilities.

We have not been able to identify specific costs for all the workstreams you have asked about. What follows is an indication of additional external costs, where we have been able to identify them for particular initiatives. Where we have not included items from your list it is because we do not hold specific information on their costs. Where we hold information relating to these workstreams that may be helpful to you, for example where reviews you list are lead by other departments, we have indicated this below. Where other departments are in the lead they may be able to provide further comment.

As indicated above, the costs of all the workstreams will be absorbed within existing budgets so that there will be no net cost to the public purse. To be helpful I have used the numbering as per your FOI request for the following answers.



INVESTOR IN PEOPLE

Q2. *The Public Sector Pensions Commission* chaired by John Hutton: not held – arrangements to support the Commission's work are not fully settled and no overall budget has been set. The Commission will be funded from within existing budgets, with staff being seconded. John Hutton will be paid £4,000 per month for a minimum of three days per week while conducting the review which is expected to last for a 9 month period; travel and subsistence expenses will according to Treasury rules, available here:

http://www.hm-treasury.gov.uk/foi_departmental_expenses.htm

Q6. *Infrastructure UK* (IUK) was established in December 2009, in conjunction with the purchase by HM Treasury of the consultancy arm of Partnerships UK (PUK). The estimated costs for IUK for 2010-11 are £9.7m, reflect an annual saving to the taxpayer of £3m per year compared to previous total expenditure on IUK related business.

Q9. *Independent Commission on Banking*: not held – arrangements have yet to be finalised.

Q10. *Independent Review on poverty*: not held – Cabinet Office lead.

Q11. *Review to set the date when State Pension Age will rise to 66*: not held – Department for Work and Pensions lead.

Q12. *Consultation on phasing out the Default Retirement Age*: not held – Department for Business, Innovation and Skills lead, in partnership with Department for Work and Pensions.

Q15. *Efficiency and Reform Group set-up*: not held – Cabinet Office lead.

Q16. *Spending Review engagement programme*: has involved a cost of £10,000 to set up the website for the online engagement with the general public, which was also funded from existing budgets.

Q17. *Consultation on better access to PAYE data*: not held – HM Revenue & Customs lead.

Q18. *Consumer Financial Education Body* (CFEB) annual financial health-check: not held – industry funded.

Further requests:

'Super Directors': the Cabinet Office press release on 30 June, announced that Lord Browne's appointment, indicated that Lord Browne will not be paid.

http://www.cabinetoffice.gov.uk/newsroom/news_releases/2010/100630-browne.aspx

Employing businessmen to sit on departmental boards: the Cabinet Office protocol for enhanced department boards indicates that "Departmental non-execs will be offered an honorarium which should not be more than that paid to Bank of England non-executive board members, currently £15,000 per annum.

http://www.cabinetoffice.gov.uk/newsroom/news_releases/2010/100630-browne/protocol.aspx

Office of Budget Responsibility (OBR): currently the three-person interim Budget Responsibility Committee (BRC) is supported by an eight-person secretariat redeployed from within the Treasury. Future costs will be dependent on decisions yet to be taken in the light of Sir Alan Budd's advice, now available –

<http://budgetresponsibility.independent.gov.uk/publications.html>

The costs of the interim office have been announced in answer to a House of Lords question (HL Deb, 13 July 2010, c124W)

<http://www.publications.parliament.uk/pa/ld201011/ldhansrd/text/100713w0001.htm#10071340000216>



If you have any queries about this letter, please contact me. It will be helpful to us if you remember to quote the reference number above in any future communications.

Yours sincerely,



Lisa Adams

Information Rights Unit

Your right to complain under the Freedom of Information Act 2000

If you are not happy with this reply, you may request a review by writing to HM Treasury, Information Rights Unit, 2/S2, 1 Horse Guards Road, London SW1A 2HQ.

Email FOI.responses@hmtreasury.gov.uk

Any review request must be made within 2 months of the date of this letter. It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome your complaint, you may apply directly to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the complaints procedure provided by the Treasury. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.



