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# **Security and Intelligence Agencies**

## **Financial Statement 2016-17**

**(For the year ended 31 March 2017)**

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Presented to the House of Commons pursuant to Section 6(4) of the Government Resources and Accounts Act 2000

Ordered by the House of Commons to be printed on 19 July 2017



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Any enquiries regarding this publication should be sent to us at SIA Strategy and Capability Team, Cabinet Office 70 Whitehall, London, SW1A 2AS.

Print ISBN 9781474144476

Web ISBN 9781474144483

ID 05051709 07/17

Printed on paper containing 75% recycled fibre content minimum

Printed in the UK by the Williams Lea Group on behalf of the Controller of Her Majesty's Stationery Office

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**Introduction**

This Statement summarises the use of resources by the Security and Intelligence Agencies for the year ending 31 March 2017. Each of the Agencies produces its own full set of annual accounts in accordance with the Government Financial Reporting Manual and Treasury directions but, for reasons of national security, they are not published. They are audited by the Comptroller and Auditor General and shown to the Chair of the Committee of Public Accounts in accordance with the procedure for handling such material set down by the relevant Secretary of State under the Intelligence Services Act 1994. In line with these arrangements this Statement comprises only a Statement of Parliamentary Supply and Consolidated Statement of Net Expenditure together with appropriate notes and a Governance Statement.

## Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000, HM Treasury has directed the Security and Intelligence Agencies to prepare for each financial year a Financial Statement detailing the resources acquired, held, or disposed of during the year and the use of resources by the Agencies during the year.

The individual Agency accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Agency's applications of resources, changes in taxpayers' equity, cash flows and net resource outturn by way of a note for the financial year.

For reasons of national security, these accounts are not published. They are audited by the Comptroller and Auditor General and shown to the Chair of the Committee of Public Accounts in accordance with the procedure for handling such material set down by the Secretary of State under the Intelligence Services Act 1994.

As a consequence of these arrangements, the Treasury has directed that a Financial Statement should be published in accordance with Section 5 (2) of the Government Resources and Accounts Act 2000, and that this should comprise only a Statement of Parliamentary Supply and Consolidated Statement of Net Expenditure together with appropriate notes.

In preparing the Financial Statement, the Accounting Officer is required, within the limitations imposed by the interests of national security, to comply with the Government Financial Reporting Manual prepared by the Treasury, and in particular to:

- i. observe the Accounts Direction issued by the Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- ii. make judgements and estimates on a reasonable basis;
- iii. state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the Financial Statement; and
- iv. prepare the Financial Statement on a going concern basis.

The Treasury has appointed the National Security Adviser as Principal Accounting Officer for the Security and Intelligence Agencies. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Security and Intelligence Agencies' assets, are set out in Managing Public Money published by HM Treasury.

### Accounting Officer's Declaration

I consider there to be no relevant audit information of which the NAO auditors have not been made aware. I have taken all steps necessary to make myself aware of any relevant audit information and to establish that NAO auditors are aware of that information.

I can confirm that the financial statement as a whole is fair, balanced and understandable and that I take personal responsibility for the financial statement and the judgement required for determining that it is fair, balanced and understandable.



## Governance Statement

### Scope of Responsibility

This Governance Statement, for the period ending 31 March 2017, covers the Single Intelligence Account (SIA), the funding vehicle for the Security and Intelligence Agencies (the Agencies): Secret Intelligence Service (SIS), Government Communications Headquarters (GCHQ) and the Security Service (MI5).

The SIA, in covering non-ministerial departments, operates differently to other parts of the government. The Prime Minister has overall responsibility for intelligence and security matters and is accountable to Parliament for matters affecting the Agencies collectively. The Agency Heads have a statutory duty to provide annual reports directly to the Prime Minister as well as to their Secretary of State. The Foreign Secretary is the responsible Secretary of State for SIS and GCHQ and the Home Secretary for MI5. The Agencies ensure that the appropriate Secretary of State is briefed on matters that could become the subject of Parliamentary or public interest and on issues which they need to be aware of in discharging their wider Ministerial responsibilities. There are well-established arrangements for seeking Ministerial clearance for operations when required. Additionally the Agency Heads also report to me as the National Security Adviser (NSA) and Principal Accounting Officer (PAO) for the SIA.

In line with the responsibility assigned to me in Managing Public Money, my role is to ensure that the SIA operates effectively and efficiently in support of national security policies, aims and objectives. However, I delegate authority for spending to the Heads of Agencies who are each Accounting Officers (AOs) in their own right.

The Agencies' operations are conducted within a framework of legislation that defines their roles and activities – the main statutes are the Security Services Act 1989, the Intelligence Services Act 1994, the Regulation of Investigatory Powers Act 2000 (RIPA) and the Investigatory Powers Act 2016 (2016 Act).

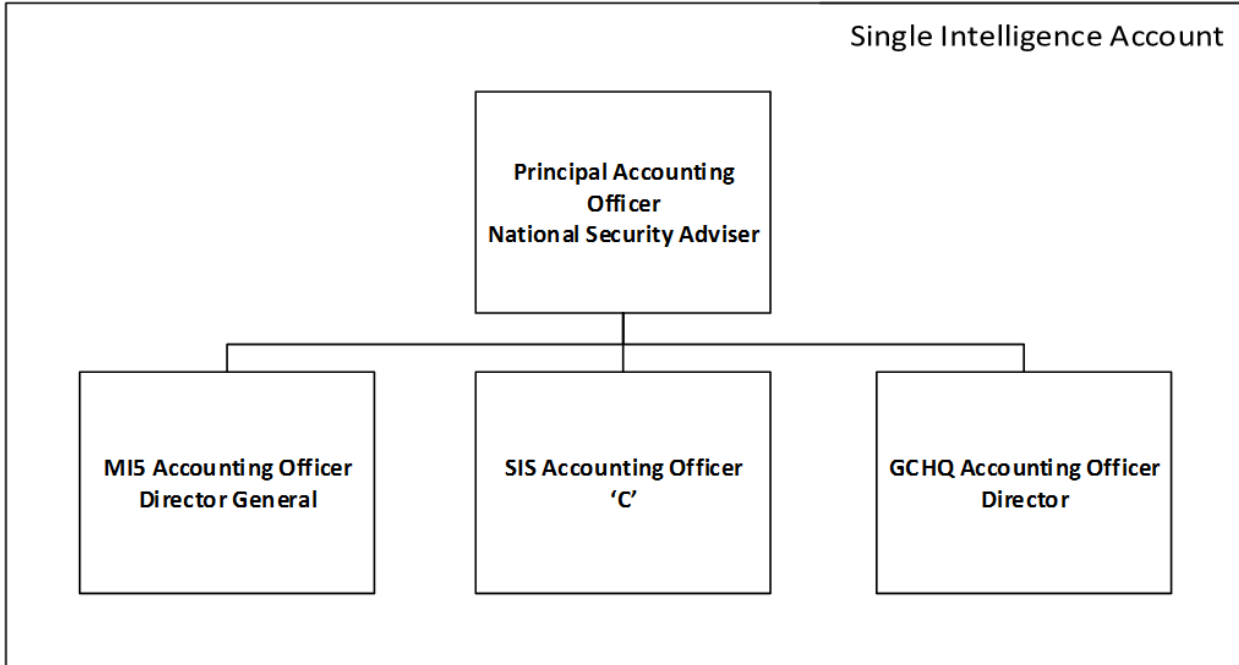
The oversight framework for investigatory powers helps to ensure that public authorities act in ways that are compatible with the Human Rights Act 1998. The Investigatory Powers Tribunal was established in October 2000 under RIPA and provides a right of redress for anyone who believes they have been a victim of unlawful action by a public authority improperly using covert investigative techniques. The Tribunal is also the appropriate forum to consider claims brought against the agencies alleging the infringement of human rights.

The 2016 Act created a new role, the Investigatory Powers Commissioner, to approve and oversee the use of investigatory powers by public authorities. The Investigatory Powers Commissioner will have the important constitutional function of independently balancing the public interest and the rights of the individual, in particular assessing when it is justifiable for these rights to be interfered with. The Investigatory Powers Commissioner will replace the existing Intelligence Services, Chief Surveillance and Interception of Communications Commissioners and will take on the functions of these offices, as well as additional functions provided for by the 2016 Act.

Parliamentary oversight of the three Intelligence Agencies is provided by the Intelligence and Security Committee (ISC), which examines the expenditure, administration and policy of the three Agencies. The ISC can also oversee operational matters, within certain statutory parameters. The ISC's independence from government was enhanced in July 2013 with the coming into force of the

Justice and Security Act which makes the ISC a statutory Committee of Parliament and formalises its remit. Additionally the Chair of the House of Commons' Public Accounts Committee sees the Annual Report and Accounts of the Agencies through the National Audit Office.

**Structure of the SIA**



Employees of MI5 and SIS are Crown Servants, whilst employees of GCHQ are Civil Servants.

## The Governance Framework

Financial responsibility for the SIA lies with the National Security Adviser (NSA), who is based in the Cabinet Office and leads the National Security Secretariat (NSS). The Prime Minister and the NSA are supported in their engagement with the Agencies by a small team in the NSS which includes professional accountants. The governance at the centre is complemented by comprehensive governance structures in each of the three Agencies.

To protect national security, there are necessarily different governance arrangements in place for the Agencies. These ensure appropriate oversight and accountability for Agency spending, without compromising the need for operational secrecy. Special arrangements have been agreed for the implementation of the Government's transparency agenda by the Agencies. To help drive good financial management, the Agencies are required to produce all the data required of other government departments for the transparency agenda and share it with the relevant teams in HM Treasury and the NSS. However, this data is not published because of risks to national security. In line with other departments the Agencies are also required to produce and maintain a business plan. These plans are discussed with the ISC at a strategic level and there is regular reporting from the Agencies to the ISC.

As with other departments, where specific investment plans in the Agencies either exceed the delegated financial authority given to Agency Heads by the Chief Secretary to the Treasury (CST) through the PAO or falls within the Treasury definition as complex, Agency Heads must seek approval from HM Treasury.

For reasons of national security the Minister of the Cabinet Office, Treasury officials and the DNSA have approved special arrangements for the Agencies with regards to the Cabinet Office controls. Within these arrangements, the Agencies ensure that taxpayers get the best possible value from SIA spending whilst protecting operational sensitivities.

Each of the Agencies produces their own Annual Report and Accounts and these are independently audited, in full, by the National Audit Office. The Agencies also produce their own Governance Statements which reflect their individual circumstances. For this reason, this Governance Statement focuses on the SIA level structures and aggregated risk position, making reference to the individual statements of the Agencies as necessary.

Each Agency complies with the Corporate Governance in central government departments: Code of good practice, where it is appropriate to do so. Since each Agency operates independently under the direction of its Accounting Officer, the governance structures for the Agencies are different to that of standard governance frameworks. The structures in place outlined below enable effective management of finances and complement those of the Agencies.

### NSS Governance of Intelligence Agencies

The Financial Steering Group (FSG) is the highest level of financial governance and is made up of NSA (Chair), Agency Heads, the Deputy NSA and Agency Finance Directors. The Group now meets a minimum of three times a year and provides the opportunity for the PAO to meet with his AOs and discuss key financial issues such as setting future budgets, business and associated financial risks, progress on efficiency plans and in-year financial management. The FSG considers significant cross-SIA collaborative investments and efficiencies.

The Agency Heads, supported by their Deputies, meet quarterly to discuss strategic issues affecting the Agencies.

Each month, the Director of Security and Intelligence in NSS chairs a meeting of Agency Finance Directors. Amongst other things, this group manages the in-year finances of the SIA and co-ordinates SIA work on efficiency.

Supporting these structures there are frequent working level meetings including a monthly meeting chaired by NSS with representatives from across the Agencies and HM Treasury. The aim of this meeting is to provide peer review and discussion of the spending forecasts, cash management, and application of Treasury policy papers.

#### Governance of the National Cyber Security Programme (NCSP)

This Governance Statement also covers the NCSP, which is a five year £1.9 billion investment in cyber announced in 2015. The total funding for 2016/17 was £229m which initially sits in the SIA account until supplementary estimates at which point any non-SIA NCSP funding is distributed to the relevant partners spending the funds. The NCSP is managed by a small programme team in the Cyber and Government Security Directorate (CGSD) in the Cabinet Office, reporting to the DNSA. The DNSA is the Senior Responsible Owner (SRO).

NCSP funding will be allocated to support realisations of the thirteen strategic objectives set out in the National Cyber Security Strategy (2016) and has a rigorous governance framework set up to ensure performance against delivery of these objectives is managed effectively and funding allocated appropriately. Delivery of specific objectives is managed by cross-Whitehall Strategy Performance and Delivery Groups (SPDGs) and hold responsibility for ensuring that departments/agencies manage their finances and deliverables. Above this, the Cyber Oversight Group holds accountability for overall delivery of the NCSS and draws together the entire programme and addresses cross-cutting issues. The NCSP is ultimately accountable to the National Security Council sub-committee on Cyber.

SPDGs submit business cases for approval by the Director of CGSD and HM Treasury before resources are released. The programme team assesses the delivery of the programme using monthly reporting and monitoring arrangements, and raises issues, as appropriate, through the governance hierarchy.

The NCSP works with the Infrastructure and Projects Authority and complies with requirements set out by the National Audit Office to ensure this programme is being managed effectively and delivers value for money.

**Compliance with the Corporate Governance in central government departments: Code of good practice**

As non-ministerial departments, the individual Agencies follow the principles of the Corporate Governance in central government departments: Code of good practice where relevant and practical. Areas of departure are set out in each of the Agency's own governance statements. The Agencies collectively are not a ministerial department and so are not accountable to Parliament in the way described by the Code. Parliamentary oversight mechanisms are as described above. As each Agency has its own Accounting Officer, there is no SIA management board as described by the Code. FSG (see above) has responsibility for those financial issues requiring Cabinet Office oversight or co-ordination.

**Information Security and Protection**

No information security incidents were reported to Cabinet Office during 2016-17.

**Risk Assessment**

The NSS regularly discuss individual Agency and cross-SIA finance risks with Agency Finance Directors, working level Agency finance contacts and HM Treasury. These conversations feed into discussion with the NSA at the FSG.

The FSG also considers cross-SIA business risk. During 2016-17, the SIA undertook work on the structure of risk assessment to better manage the shared impact of cross-SIA risks across key areas of collaboration. The key business risks currently faced by the SIA relate to:

1. Delivery of collaborative transformation projects;
2. Delivery of efficiencies committed to at SR15; and
3. Delivery on Strategic Defence and Security Review commitments.

**Review of the Effectiveness of Risk Management and Internal Control**

As Principal Accounting Officer, I, NSA, have responsibility for reviewing the effectiveness of governance structures. I have been provided with the full, unpublished, versions of the individual Agency Governance Statements. I am content that these Governance Statements represent a true picture of each Agency's position.

**Accounting Officer Systems Statement**

A separate Accounting Officer Systems Statement (AOSS) has not been produced for the SIA as it has been judged that all the relevant information, within national security constraints, is contained within the Governance Statement

**Mark Sedwill CMG**  
**Principal Accounting Officer**  
**17 July 2017**

**THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL  
TO THE HOUSE OF COMMONS**

I certify that I have audited the Financial Statement of the Security and Intelligence Agencies for the year ended 31 March 2017 under the Government Resources and Accounts Act 2000. The Financial Statement comprises the Consolidated Statement of Net Expenditure and the Statement of Parliamentary Supply and the related notes. The Financial Statement has been prepared under the accounting policies set out within it.

**Respective responsibilities of the Accounting Officer and auditor**

As explained more fully in the Statement of Accounting Officer's Responsibilities, the National Security Adviser as Principal Accounting Officer is responsible for the preparation of the Financial Statement and for being satisfied that it is presented properly. My responsibility is to audit, certify and report on the Financial Statement in accordance with the Government Resources and Accounts Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statement sufficient to give reasonable assurance that the Financial Statement is free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Security and Intelligence Agencies' circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officers of the Agencies; and the overall presentation of the Financial Statement. My audit of the Financial Statement also includes verification that the underlying accounts have been appropriately and consistently consolidated. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement. I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the Financial Statement have been applied to the purposes intended by Parliament and the financial transactions recorded in the Financial Statement conform to the authorities which govern them.

The Financial Statement discloses the use of resources by the Security and Intelligence Agencies. As explained in the introduction, for reasons of national security it consists solely of a Statement of Parliamentary Supply and a Consolidated Statement of Net Expenditure and does not comply fully with International Financial Reporting Standards or the Government Financial Reporting Manual. The unpublished constituent accounts, which I audit in accordance with International Standards on Auditing (UK and Ireland), are, however, fully compliant. My opinion on each of these is unqualified.

**Opinion on regularity**

In my opinion, in all material respects:

- the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2017 and shows that those totals have not been exceeded; and
- the expenditure and income recorded in the Financial Statement have been applied to the purposes intended by Parliament and the financial transactions recorded in the Financial Statement conform to the authorities which govern them.

**Opinion on financial statement**

In my opinion:

- the Financial Statement properly presents the net cash requirement, net resource outturn and net operating cost for the year ended 31 March 2017;
- the Financial Statement has been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder; and
- the Financial Statement is consistent with the unpublished audited accounts of the individual Security and Intelligence Agencies for the year ended 31 March 2017.

**Matters on which I report by exception**

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the Financial Statement is not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

**Report**

I have no observations to make on these financial statements.

**Sir Amyas C E Morse**  
**Comptroller and Auditor General**

**17 July 2017**

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

## Statement of Parliamentary Supply

## Summary of Resource and Capital Outturn 2016-17

£000	2016-17						2015-16
	Estimate			Outturn			Outturn
	Voted	Non-Voted	Total	Voted	Non-Voted	Total	Voted outturn compared with Estimate saving/ (excess)
<b>Departmental Expenditure Limit</b>							
- Resource	2,284,568	-	2,284,568	2,268,170	-	2,268,170	16,398
- Capital	607,897	-	607,897	603,276	-	603,276	4,621
<b>Annually Managed Expenditure</b>							
- Resource	31,050	-	31,050	13,065	-	13,065	17,985
- Capital	-	-	-	-	-	-	-
<b>Total Budget</b>	<b>2,923,515</b>	-	<b>2,923,515</b>	<b>2,884,511</b>	-	<b>2,884,511</b>	<b>39,004</b>
<b>Non-Budget</b>							
- Resource	-	-	-	-	-	-	-
<b>Total</b>	<b>2,923,515</b>	-	<b>2,923,515</b>	<b>2,884,511</b>	-	<b>2,884,511</b>	<b>39,004</b>
Total Resource			2,315,618			2,281,235	34,383
Total Capital			607,897			603,276	4,621
<b>Total</b>			<b>2,923,515</b>			<b>2,884,511</b>	<b>39,004</b>

## Net Cash Requirement 2016-17

£000

2016-17 Estimate	2016-17		2015-16
	Outturn	Outturn compared with Estimate saving/ (excess)	Outturn
<b>2,648,865</b>	<b>2,524,000</b>	124,865	2,330,806

## Administration Costs 2016-17

2016-17 Estimate	2016-17 Outturn	2015-16 Outturn
<b>71,800</b>	<b>67,194</b>	62,547

Figures in the areas outlined in bold are voted totals subject to Parliamentary control



## Notes to the Statement of Parliamentary Supply

For the Year ended 31 March 2017

## Reconciliation of outturn to net operating expenditure

*Reconciliation of net resource outturn to net operating expenditure*

	2016-17	2015-16
	£000	£000
Total resource outturn in Statement of Parliamentary Supply		
Budget	2,281,235	2,469,085
Non-Budget	-	-
	2,281,235	2,469,085
Less:		
Income Payable to the Consolidated Fund	(532)	(6,254)
Other Net Adjustments	169,579	(6,043)
	169,047	(12,297)
Net Operating Costs in Consolidated Statement of Net Expenditure	2,450,282	2,456,788

## Reconciliation of net outturn to net cash requirement

	Estimate	Outturn	Net total outturn compared with Estimate saving/(excess)
	£000	£000	£000
<b>Resource Outturn</b>	2,315,618	2,281,235	34,383
<b>Capital Outturn</b>	607,897	603,276	4,621
<b>Accruals to cash adjustments:</b>			
<i>Adjustments to remove non-cash items</i>	(372,750)	(406,042)	33,292
<i>Other Adjustments</i>	-	8,328	(8,328)
<i>Adjustment to reflect movements in working balances</i>	98,100	37,203	60,897
<b>Net Cash Requirement</b>	2,648,865	2,524,000	124,865

**Income Payable to the Consolidated Fund*****Analysis of Income Payable to the Consolidated Fund***

In addition to income retained by the department, the following income relates to the department and is payable to the Consolidated Fund (cash receipts being shown in italics)

	Outturn 2016-17		Outturn 2015-16	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Income outside the ambit of the estimate	383	<i>383</i>	4,877	<i>4,877</i>
(Excess) cash surrenderable to the consolidated fund	149	<i>149</i>	1,377	<i>1,377</i>
<b>Total income payable to the Consolidated Fund</b>	<b>532</b>	<b><i>532</i></b>	<b>6,254</b>	<b><i>6,254</i></b>

**Consolidated Statement of Net Expenditure**

For the Year ended 31 March 2017

£000	2016-17	2015-16
Income	(167,634)	(176,760)
<b>Total operating income</b>	<b><u>(167,634)</u></b>	<b><u>(176,760)</u></b>
Staff costs	938,252	853,031
Other costs	1,679,664	1,780,517
<b>Total operating expenditure</b>	<b><u>2,617,916</u></b>	<b><u>2,633,548</u></b>
<b>Net Operating Expenditure</b>	<b><u>2,450,282</u></b>	<b><u>2,456,788</u></b>

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**Mark Sedwill CMG**  
**Principal Accounting Officer**  
**17 July 2017**

**Notes to the Consolidated Statement of Net Expenditure**

For the Year ended 31 March 2017

**1. Statement of accounting policies and disclosure**

This is the consolidated Financial Statement of the individual Security and Intelligence Agencies. The individual Agency accounts have been prepared in accordance with the 2016-17 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the policy which is judged to be the most appropriate to the particular circumstances of the Agencies for the purpose of ensuring the Financial Statement is presented properly, has been selected.

*1.1 Accounting convention*

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

*1.2 Basis of consolidation*

These accounts are based upon a consolidation of the individual Intelligence and Security Agencies. Transactions between entities included in the consolidation are eliminated.

**2. Losses and Special Payments**

	2016-17	2016-17	2015-16	2015-16
	No. of cases	£000	No. of cases	£000
<b>Losses and Special Payments</b>				
Total	1,704	1,168	892	1,221

**Annex A****Tables 1 to 4 – Core Tables (unaudited)**

The SIA comprises the budgets of the three Security and Intelligence Agencies – the Security Service, the Secret Intelligence Service and the Government Communications Headquarters. Since May 2010, the National Security Adviser has been the PAO for the SIA, when he took the function over from the Cabinet Secretary. The PAO delegated authority to spend to the three Agency Heads (who are themselves Accounting Officers) at levels agreed with the Treasury. The Security and Intelligence Agencies operate within a separate statutory framework.

**Table 1 – Total departmental spending for the Security and Intelligence Agencies** The years from 2012-13 to 2014-15 are part of the SR10 settlement, 2015-16 is part of the SR13 settlement. 2016-17 to 2020-21 is part of the SR15 settlement.

**Table 2 – Administration budget for the Security and Intelligence Agencies** Administration budgets in line with the SR10, SR13 and SR15 settlements.

**Table 3 – Outturn 2016-17** This table shows the outturn against plans.

**Table 4 – Staff Numbers for the Security and Intelligence Agencies** This table shows staff numbers from 2012-13 to 2016-17 and reflects plans for 2017-18 to 2020-21 agreed in SR15, by function expressed in full-time equivalents.

**Table 1 - Security and Intelligence Agencies total departmental spending**

	2012-13 OUTTURN	2013-14 OUTTURN	2014-15 OUTTURN	2015-16 OUTTURN	2016-17 OUTTURN	2017-18 PLANS	2018-19 PLANS	2019-20 PLANS	2020-21 PLANS	£'000
Security and Intelligence Agencies	1,944,820	1,966,545	2,031,604	2,173,700	2,267,877	2,401,005	2,276,484	2,398,406	2,092,734	
<b>Total Resource DEL</b>	<b>1,944,820</b>	<b>1,966,545</b>	<b>2,031,604</b>	<b>2,173,700</b>	<b>2,267,877</b>	<b>2,401,005</b>	<b>2,276,484</b>	<b>2,398,406</b>	<b>2,092,734</b>	
<i>Of which:</i>										
Staff costs	750,727	766,598	757,231	809,870	879,983	852,137	852,604	897,282	-	
Purchase of goods and services	845,933	831,942	983,256	1,083,835	1,106,913	1,303,972	1,058,480	1,123,724	2,092,734	
Income from sales of goods and services	-102,054	-93,974	-199,144	-191,690	-135,113	-179,152	-	-	-	
Rentals	29,320	30,922	32,888	34,712	38,016	39,902	-	-	-	
Depreciation 1	388,570	402,874	425,255	405,766	347,470	354,400	365,400	377,400	-	

**Security and Intelligence Agencies**

**Financial Statement 2016-17**

Other resource	32,324	28,183	32,118	31,207	30,608	29,746	-	-
<b>Resource AME</b>								
Spending in Annually Managed Expenditure	40,680	18,722	41,163	134,973	13,396	39,050	39,050	39,050
<b>Total Resource AME</b>	<b>40,680</b>	<b>18,722</b>	<b>41,163</b>	<b>134,973</b>	<b>13,396</b>	<b>39,050</b>	<b>39,050</b>	<b>39,050</b>

*Of which:*

Depreciation 1	44,718	24,439	43,134	139,274	16,805	36,550	39,900	39,900
Take up of provisions	-4,038	-5,717	-1,971	-4,301	-3,409	2,500	-850	-850

**Total Resource Budget**

	<b>1,985,500</b>	<b>1,985,267</b>	<b>2,072,767</b>	<b>2,308,673</b>	<b>2,281,273</b>	<b>2,440,055</b>	<b>2,315,534</b>	<b>2,437,456</b>	<b>2,092,734</b>
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*Of which:*

Depreciation 1	433,288	427,313	468,389	545,040	364,275	390,950	405,300	417,300	-
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**Capital DEL**

Security and Intelligence Agencies	476,144	498,530	550,049	574,897	603,273	609,700	584,800	655,100	680,600
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**Total Capital DEL**

	<b>476,144</b>	<b>498,530</b>	<b>550,049</b>	<b>574,897</b>	<b>603,273</b>	<b>609,700</b>	<b>584,800</b>	<b>655,100</b>	<b>680,600</b>
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*Of which:*

Purchase of goods and services	128,258	139,252	171,428	175,510	186,571	195,200	184,800	186,100	188,600
Capital grants to persons & non-profit bodies (net)	1,957	-	-	-	-	-	-	-	-
Capital grants to private sector companies (net)	-1,959	-	-	-	-	-	-	-	-
Purchase of assets	365,628	396,539	391,282	405,760	444,214	437,500	400,000	469,000	492,000
Income from sales of assets	-2,597	-25,435	-539	-544	-6,646	-500	-	-	-
Other capital	-15,143	-11,826	-12,122	-5,829	-20,866	-22,500	-	-	-

**Capital AME**

*Of which:*

<b>Total Capital Budget</b>	<b>476,144</b>	<b>498,530</b>	<b>550,049</b>	<b>574,897</b>	<b>603,273</b>	<b>609,700</b>	<b>584,800</b>	<b>655,100</b>	<b>680,600</b>
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<b>Total departmental spending</b> <sup>3</sup>	2,028,356	2,056,484	2,154,427	2,338,530	2,520,271	2,658,805	2,495,034	2,675,256	2,773,334
Total DEL	2,032,394	2,062,201	2,156,398	2,342,831	2,523,680	2,656,305	2,495,884	2,676,106	2,773,334
Total AME	-4,038	-5,717	-1,971	-4,301	-3,409	2,500	-850	-850	-

Of which:

<sup>1</sup> Includes impairments

<sup>2</sup> Pension schemes report under FRS 17 accounting requirements. These figures therefore include cash payments made and contributions received, as well as certain non-cash items

<sup>3</sup> Total departmental spending is the sum of the resource budget and the capital budget less depreciation. Similarly, total DEL is the sum of the resource budget DEL and capital budget DEL less depreciation in DEL, and total AME is the sum of resource budget AME and capital budget AME less depreciation in AME.

**Table 2 - Administration budget for the Security and Intelligence Agencies**

	2012-13 OUTTURN	2013-14 OUTTURN	2014-15 OUTTURN	2015-16 OUTTURN	2016-17 OUTTURN	2017-18 PLANS	2018-19 PLANS	2019-20 PLANS	2020-21 PLANS	£'000
Security and Intelligence Agencies	65,511	58,922	58,474	63,118	67,240	74,000	75,000	76,000	67,000	
<b>Total administration budget</b>	<b>65,511</b>	<b>58,922</b>	<b>58,474</b>	<b>63,118</b>	<b>67,240</b>	<b>74,000</b>	<b>75,000</b>	<b>76,000</b>	<b>67,000</b>	

**Resource DEL**

Of which:

Staff costs	49,754	47,038	37,667	40,230	44,266	43,646	44,250	44,840	-	
Purchase of goods and services	28,940	24,687	20,687	22,787	22,848	30,279	30,750	31,160	67,000	
Income from sales of goods and services	-13,385	-13,064	-134	-157	-200	-200	-	-	-	
Other resource	202	261	254	258	326	275	-	-	-	

Table 3 - Outturn 2016-17

	2016-17		2016-17		2016-17		2016-17	
	Original Plans Resource	Capital	Adjusted Plans† Resource	Capital	Final Plans Resource	Capital	OUTTURN Resource	Capital
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<b>Voted expenditure</b>	2,201,168	649,270	2,201,168	649,270	2,284,568	607,897	2,267,877	603,273
<i>Of which:</i> Security and Intelligence Agencies	2,201,168	649,270	2,201,168	649,270	2,284,568	607,897	2,267,877	603,273
<b>Total Spending in DEL</b>	<b>2,201,168</b>	<b>649,270</b>	<b>2,201,168</b>	<b>649,270</b>	<b>2,284,568</b>	<b>607,897</b>	<b>2,267,877</b>	<b>603,273</b>
<b>Spending in Annually Managed Expenditure (AME)</b>								
<b>Voted expenditure</b>	39,050	-	39,050	-	31,050	-	13,396	-
<i>Of which:</i> Spending in Annually Managed Expenditure	39,050	-	39,050	-	31,050	-	13,396	-
<b>Total Spending in AME</b>	<b>39,050</b>	<b>-</b>	<b>39,050</b>	<b>-</b>	<b>31,050</b>	<b>-</b>	<b>13,396</b>	<b>-</b>
<b>Total</b>	<b>2,240,218</b>	<b>649,270</b>	<b>2,240,218</b>	<b>649,270</b>	<b>2,315,618</b>	<b>607,897</b>	<b>2,281,273</b>	<b>603,273</b>
<i>Of which:</i> Voted expenditure	2,240,218	649,270	2,240,218	649,270	2,315,618	607,897	2,281,273	603,273

† Figures for Adjusted Plans have been adjusted for machinery of government changes effected during 2016 to reflect the Final Plans structure where applicable



**Table 4 Staff numbers for the Security and Intelligence Agencies**

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans	Plans	Plans
CS FTEs	12,328	12,190	12,196	12,669	13,335	14,261	14,862	15,403	15,809
<b>Total</b>	<b>12,328</b>	<b>12,190</b>	<b>12,196</b>	<b>12,669</b>	<b>13,335</b>	<b>14,261</b>	<b>14,862</b>	<b>15,403</b>	<b>15,809</b>





ISBN 978-1-4741-4447-6



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