



Minutes Sponsor Board

Meeting date	4 October 2021
Meeting location	Virtual Meeting
Meeting time	3.30pm – 6.30pm

Attendees

Members Present
Liz Peace, Chair
Lord Best
Lord Carter of Coles
Lord Deighton
Mark Tami MP
Marta Phillips
Paul Lewis
Simon Thurley
Simon Wright
Sir Edward Leigh MP

Attendees	Item
Chris Sexton, Chief of Staff, Sponsor Body	All
Claire Maugham, Communications Director, Sponsor Body	All
Johanna Porter, Board Secretary, Sponsor Body	All
John Benger, Clerk of the House of Commons	All
Karen Watling, Executive Assistant, Sponsor Body	All
Sarah Johnson, CEO, Sponsor Body	All
Simon Burton, Clerk of the Parliaments, House of Lords	All
David Goldstone, CEO, Delivery Authority	5,6 & 7
Matt White, Programme Director, Delivery Authority	5,6 & 7
Andy Haynes, Commercial Director, Delivery Authority	6
Ainsley Moore, Business Case Consultant, PwC	7
Amanda Colledge, Business Case Director, Sponsor Body	7
Nicholas Lane, Business Case Consultant, PwC	7
John Thursfield, Parliament Relations Manager, Sponsor Body	8

Private session

Official Liz Peace, Chair, Sponsor Board

No minutes were recorded for this item.



1. Welcome, agenda and declarations of interest

- 1.1 The Chair opened the meeting noting a quorum was present. She welcomed Sir Edward Leigh MP and Paul Lewis to their first formal meeting as members of the Sponsor Body.
- 1.2 Apologies had been received from Baroness Doocey, Ian Levy MP and Kirsty Blackman MP. The Communications Director left the meeting at 5.30pm.
- 1.3 The Board NOTED the meeting agenda (SB/21/100). No amendments were proposed.
- 1.4 The Board NOTED the register of interests (SB/21/101). There were no further declarations of interest made relevant to the items on the agenda, except where previously disclosed.

2. Minutes of the previous meeting and matters arising

- 2.1 **DECISION:** The Board APPROVED the minutes of the meeting held on 6 September 2021 (SB/21/102) as an accurate record of the meeting. The minutes would be redacted as described, then signed electronically on the Chair's behalf and published on the Programme website.
- 2.2 **DECISION:** The Board NOTED the progress against the action log (SB/21/103) since the last meeting.

3. External Member of the Sponsor Body

(SB/21/113)

Official: Chris Sexton, Chief of Staff, Sponsor Body

- 3.1 **DECISION:** The Board AGREED the terms and conditions for the newly appointed external member (Paul Lewis), as set out in Annexes A and B and AUTHORISED the Chair to sign the newly appointed external member's terms and conditions on behalf of the Sponsor Body.

4. Sponsor Body Progress Report

(SB/21/104)

Period: September 2021

Including: Draft R&R Timetable Narrative

(SB/21/114)

Official: Sarah Johnson, CEO, Sponsor Body

- 4.1 The Chief Executive of the Sponsor Body introduced the Sponsor Body Progress Report noting that the Programme was entering a critical phase of work through to March 2022. The continued presence assessment and the funding proposals for the following financial year were all to be agreed. The Sponsor Board would also be receiving an update on the work to develop the Programme Business Case (PBC) including some very early indicators relating to cost and time. She reassured members that they would be well supported in making the necessary decisions.
- 4.2 There were now four viable options for the House of Lords Decant project. The CEO noted the positive collaborative working relationship with the Lords Administration had been instrumental in obtaining the views of the accommodation whips which had moved the work forward considerably. Their Lordships' views on accommodation may need to be revisited once the impact of a continued presence was better understood; for example, if a longer period of decant was required.



- 4.3 The House of Commons Decant project was progressing with continued collaborative working between R&R and Commons colleagues. The House was aware that the Programme would need some cost indications by the end of 2021, even if these were order of magnitude figures, in order that decisions on continued presence could be taken with the best available information.
- 4.4 The CEO reported that she was expecting a briefing from the Delivery Authority (DA) on the progress of the continued presence work in the next ten days. In the New Year the facts would be presented to Parliament, and it was up to the Houses to decide whether the proposals would be taken forward.
- 4.5 She noted that the relationship with the House Administrations was continuing to improve. She would be working closely with the Clerks of both Houses to embed a strong working relationship.
- 4.6 The following points were also raised and noted:
- 4.6.1 The Programme was working with Parliamentary colleagues to ensure that the Programme Business Case (PBC) was developed alongside the Parliamentary Masterplan.
 - 4.6.2 The improved Sponsor Body report was noted; however, it was also noted that a risk summary had been omitted. The report should include a summary of the significant risks that lay outside of Programme control; these would give context and allow members to track the impact of current mitigations.
 - 4.6.3 Concern was expressed about what appeared to be a significant overspend in the Chief Executive's Team. Members were assured that the figures reflected the need for interim resource and that the CEO budget line holds the central contingency and targeted savings for the organisation. The forecast year end position for the Sponsor Body remained below the approved budget and there was a continued focus on delivering savings across all teams.
 - 4.6.4 The draft R&R Programme Timetable Narrative (SB/21/114) had been provided to members for reference. It was not intended for publication. Members were encouraged to send their comments on the draft document to the CEO.
- 4.7 **DECISION:** The Board NOTED the Sponsor Body Progress Report for September 2021.

5. DA Programme Report

Period: August 2021

(SB/21/105)

Officials: David Goldstone, CEO, Delivery Authority
Matt White, Programme Director, Delivery Authority

- 5.1 The Chief Executive of the Delivery Authority (DA) reported that the DA's Board had been engaged on how to align the delivery strategy for Phase 2 with the business plan, whilst sharing emerging Programme information including on cost, schedule, and continued presence objectives. There had been a deep dive into M&E options for the Palace with a range of engineered versus natural heating and ventilation proposals being considered; options that did not meet programme objectives had been discounted. Further one to one and then collective Board discussions on M&E strategy were planned.



- 5.2 The DA welcomed the new R&R Steering Group which had been set up with the two House Administrations. It was hoped the group would help resolve some of the outstanding scope issues that are challenging for scheme development such as the use of more limited accommodation space in the Palace.
- 5.3 The Sponsor Board had previously asked for further information about the money being spent on the Programme's Data & Digital work. The DA Board had discussed the arrangements at length and were clear that the Programme could not be successfully delivered without significant investment. It was important that there were well-defined evidenced-based benefits to any investment, and that these benefits outweighed the cost. All Phase 2 investments would be subject to individual business cases, and the overall benefits and costs of Data and Digital investment, compared to delivering R&R without, would be made clear in the Programme Business Case. The CEO of the DA said that the Phase 1 arrangements had been scrutinised and he was assured that the spend was appropriate. The primary costs to date had been incurred during the setup of the two new organisations.
- 5.4 The following points were raised and noted:
- 5.4.1 Concern was expressed that decisions taken now regarding the M&E arrangements would have fundamental implications for the future and account for approximately 40% of the final budget. The more complex the M&E the more plant and therefore space both in and outside the Palace that would be required. It was noted that there would need to be compromises, but that people would expect the quality of their environment to improve after the work had been completed. It would be important to consider the end users' experience of their environment. The Board was assured that a balanced approach would be taken and that the PBC would meet the Programme's space and cost objectives without restrictively defining the technology to be put in place. There would be a possibility of using less engineered solutions and revising the proposals once the Programme was in the Delivery Phase to better reflect the emerging technologies available.
 - 5.4.2 The Chair of the Sponsor Board's Audit & Assurance Committee said that following a briefing on cyber security at its last meeting she felt comfortable with the scope and costs for the Programme's Data & Digital arrangements.
 - 5.4.3 It was noted that a significant, and ongoing, cost commitment to data and digital would be required after the lifetime of the Programme. This would need to be made clear to the House administrations.
 - 5.4.4 The Board was assured that the continued presence work would be delivered on time.
 - 5.4.5 The Board expressed concern at the increasing forecast underspend. The CEO of the DA reported that the DA's Board and Executive were similarly concerned, and the executive team had met to discuss forecast accuracy. He noted that the budget figures had been agreed before the Strategic Review had been completed, and since then not only had some work been deferred, but also savings had been identified. He assured the Board that the forecasting process for Q2, which had commenced, and would be rigorous.



5.5 **DECISION:** The Board NOTED the DA Programme Report (executive summary) for August 2021.

6. Intrusive Survey Framework Tender Report

(SB/21/106)

Officials: Andy Haynes, Commercial Director, Delivery Authority

6.1 **DECISION:** The Board NOTED the intrusive survey framework tender process and AGREED to delegate the authority to grant 'commitment authority' for the framework to a sub group of Board members comprising the Chair of the Board, the Chair of the Sponsor Body's Audit Committee, a Parliamentary Member and the Sponsor Body CEO.

7. Business Case: Scheme Scope Update

(SB/21/107)

Officials: Amanda Colledge, Business Case Director, Sponsor Body
Ainsley Moore, Business Case Consultant, PwC
Nicholas Lane, Business Case Consultant, PwC

7.1 The Business Case Director of the Sponsor Body reminded the Board that at its March meeting it had agreed two scheme options for the PBC. The paper presented covered two of the three areas that the Board had needed to return to which were atria and carbon & energy reduction.

7.2 The following points were raised and noted:

7.2.1 It was anticipated that under the Essential Scheme the Palace would lose around 20% of Net Useable Area of the existing office space on the completion of the works. However, the addition of two new atria in the intermediate scheme would provide approx. 1,000sqm of open plan meeting space. The Board noted that the provision of atria would be a useful addition to the Palace and had proved popular elsewhere on the Estate. The atria would represent a different way of working since the lost office space would have been largely cellular in nature. However cellular office space would be available elsewhere on the Estate.

7.2.2 In relation to building fabric, further engagement was due to take place that would allow for the Essential Scheme scope to be considered in more detail. This would also identify whether elements that were not included could be carried out later and establish how disruptive this would be.

7.2.3 The Board queried how the governments ambitions to decarbonise the grid impacted the Programmes plans. It was noted that some of the interventions were required to ensure that the Palace systems moved away from being gas powered, but that in addition planning conditions would require changes to be made to reduce overall energy use.

7.2.4 Westminster City Council (WCC) would require, as a planning condition, that the first 30years of any offsetting requirements were paid upfront.

7.3 **DECISION:** The Board NOTED that work was ongoing to further define the scope of building fabric works in the two schemes; NOTED the Intermediate Scheme would proceed on the basis of two covered courtyards/atria and AGREED the indicative scope, subject to further design development, of the Essential and Intermediate Scheme for carbon and energy reduction.



8. Parliamentary Consultation on Palace Plans

(SB/21/108)

Officials: Chris Sexton, Chief of Staff, Sponsor Body

John Thursfield, Parliament Relations Manager, Sponsor Body

- 8.1 The Chief of Staff of the Sponsor Body reported that Parliamentary engagement would be carried out concurrently with the work on user requirements. The findings from these activities and the engagement in the summer of 2021 would be fed into the Design Baseline. The Board were assured that Members would get the opportunity to comment on the Palace plans as the design continued to develop.
- 8.2 The Board noted that three drop-in centres would be established on the Parliamentary Estate and requested that the exhibitions be fully accessible with supporting material provided online for those that were unable to attend in person. Staff would be fully briefed, and members of the Sponsor Body's Executive Team would be available to respond to questions if needed.
- 8.3 The Clerks gave their consent for the consultation to engage with staff of both Administrations.
- 8.4 **DECISION:** The Board AGREED the proposed approach to parliamentary consultation beginning on 1 November 2021. Parliamentary Board members were asked to help promote the consultation and take feedback from parliamentary colleagues.

9. Papers for Noting

9.1 Public Engagement Findings

(SB/21/109)

- 9.1.1 The Chair asked the CEO of the Sponsor Body and the Clerks to ensure that Parliamentary participation teams were briefed on the more general and non-specific R&R issues that were raised so that, where appropriate, responses could be provided. The CEO assured the Chair that the Programme & Parliamentary participation teams were connected.

DECISION: The Board NOTED the findings and next steps. The Board did not REQUEST any topics on which it would like further information about public views.

10. Comments, announcements, and other business

- 10.1 The Board NOTED the Future agenda (SB/21/110). The Chair asked that consideration of the the key decision papers be added to future agenda in advance of those meetings where a decision was would be required.
- 10.2 The following comments were made in addition to the tabled items:
- 10.2.1 It was confirmed that the Corporate Officers of the House of Commons and House of Lords, i.e. the Clerk of the House of Commons and the Clerk of the Parliaments would be responsible for running the Parliamentary Estate once the Restoration & Renewal was complete. It was for this reason they attended Board meetings.
- 10.3 The date of the next meeting would be Monday 1 November 2021.
- 10.4 The Chair brought the meeting to a close at 6.30pm.



11. Papers enclosed for information

11.1 Communications Evaluation: September 2021

(SB/21/111)

11.2 Assurance Plan, Assurance & Audit Actions

(AC/21/038)

NB/ Small sections of these minutes have been redacted for reasons of commercial sensitivity.

Signed by:

Date: 1 November 2021
