



Minutes Sponsor Board

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| Meeting date | 6 December 2021 |
| Meeting location | Board Room, Richmond House |
| Meeting time | 3.30pm – 6.00pm |

Attendees

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

| Attendees | Item |
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| 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 | 4,5 & 6 |
| Matt White, Programme Director, Delivery Authority | 4,5 & 6 |

1. Welcome, agenda and declarations of interest

1.1 The Chair opened the meeting noting a quorum was present. She welcomed members to the first in-person meeting since February 2020 and thanked Mark Tami for securing the room booking.

1.2 The Chair updated members on her engagement activities since the last meeting. She had had a constructive meeting with Lord McFall, the Lord Speaker regarding the QEII and levels of expenditure.

1.3 Simon Wright had sent apologies for the meeting. The Clerk of the House joined the meeting at 3.45pm.

1.4 The Board NOTED the meeting agenda (SB/21/126). No amendments were proposed.



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1.5 The Board NOTED the Register of interests (SB/21/127). 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 1 November 2021 (SB/21/128) as an accurate record of the meeting. The minutes would be signed electronically on behalf of the Chair.

2.2 **DECISION:** The Board NOTED the progress against the action log (SB/21/129) since the last meeting.

3. Sponsor Body Progress Report

(SB/21/130)

Period: November 2021

Official: Sarah Johnson, CEO, Sponsor Body

3.1 The Chief Executive of the Sponsor Body introduced the Sponsor Body Progress Report noting that since the report had been published a short-term solution to the surveys access issues had been agreed with the House Clerks. A 'welfare hub' would be established in the longer term.

3.2 The R&R Team was working with the House of Commons Administration to refine the House of Commons decant options. The work was due to complete at the end of January 2022.

3.3 The Chief of Staff updated members on the Autumn Engagement with both Houses. The team had engaged with 394 Parliamentary members (194 peers and 67 MPs) and had received 70 basement tour and 27 QEII tour requests. Tours would take place from mid-January, government covid guidelines allowing. Continued presence, cost, building services and governance had been the top four topics for discussion. 78% of members had provided positive feedback on the Programme, 18% were neutral and just 4% had voiced a negative opinion.

3.4 The NAO were undertaking a fact-based study to review progress on R&R since their last report. A publication date had yet to be agreed. The study would not be a formal VfM assessment. The work would focus on the developing relationship between the Programme and the two Houses.

3.5 The CEO informed members that the Business Planning item referred to in paragraph 20 of the report had been removed from the December agenda due to time constraints. Briefing material would be provided to members for the January Board meeting.

3.6 It was clarified that there remained areas of uncertainty against all three enabling projects, House of Lords Decant, Heritage Collections Decant and House of Commons Decant.

3.7 **DECISION:** The Board NOTED the Sponsor Body Progress Report for November 2021.



4. DA Programme Report

Period: October 2021

(SB/21/131)

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

4.1 The Chief Executive of the Delivery Authority (DA) introduced the DA Programme Report noting that, following discussion at the last meeting, a new cover paper had been introduced to identify key issues for Board attention. Good progress had been made on the essential and intermediate schemes. Also, since publication, suitable locations for surveys welfare facilities had been proposed, but still need to be confirmed.

4.2 The following points were raised and noted:

4.2.1 In promoting the nationwide benefit of R&R the DA's Board Chair and Commercial Director had met with the mayors of the combined authorities of West Midlands and South Yorkshire to discuss opportunities. The Chamber of Commerce network was assisting in establishing relationships with heritage industries across the country.

4.2.2 The DA's Investment Committee received a report that showed surveys framework contracts broken down by geographic area. The Intrusive Survey Framework contract awards would be to approx. two thirds small to medium sized enterprises (SME), only one third of which were from the south-east.

4.2.3 The CEO confirmed that previous forecast financial figures had been overly optimistic about what could be achieved in a period. Savings would always be encouraged, but accurate forecasting (within 5%) was essential for the Programme. The finance team was now fully resourced, and the forecasts for the last period had been stronger. Further improvement was expected.

4.2.4 The CEO of the DA confirmed that the team were still looking at options for ventilation solutions for the Palace and that the mechanism for ventilation would vary by location. It was intended that an appropriate working environment would be provided for everyone, although a mechanical solution was only planned for spaces such as the chamber and committee rooms.

4.2.5 Concern was expressed about the loss of office space within the Palace, it was explained that this was due to several factors, including plant installation, fire compartmentation, security provisions and lift installations. Challenge was provided as to whether the Programme should be providing office space within the Palace, as it should be planning for a Parliament of the future not recreating present requirements. The Programme was however continuing to work within the provisions of the Parliamentary Buildings (Restoration & Renewal) Act 2019 and the Objectives agreed following the Strategic Review.

4.3 **DECISION:** The Board NOTED the DA's Cover Paper & Programme Report for October 2021.



5. Emerging Cost & Schedule

(SB/21/132)

Official: Sarah Johnson, CEO, Sponsor Body

- 5.1 The Chief Executive presented the Emerging Cost & Schedule reminding members that it represented a first look at the figures using current day prices, without inflation or VAT, and based on the scope and objectives previously agreed by the Board. There was still more work to do.
- 5.2 The DA CEO stressed that an early-stage initial analysis was being presented and explained that the risk provisioning had been developed using Reference Class Forecast work undertaken by Oxford Global Projects; the figures for risk had not been quantified at this early stage but had been independently benchmarked against other heritage and parliamentary projects. The figures would be refined further during 2022. It was explained that the 'P' number represented the probability that a project would be delivered to cost and time. As a comparison it was said that the 2012 Games had used P80, the Houses usually worked to P70 and TfL P50.
- 5.3 The Programme Director explained that following the completion of the Programme Business Case there would be four phases of work: (1) enabling, (2) advanced, (3) main and (4) a phased return and reoccupation.
- 5.4 The work plan grouped the Palace's 1,000 rooms into 15 zones. Work would, assuming a total decant, progress inwards from both the North and South ends of the Palace toward the Central Lobby, and then back out.
- 5.5 Once the 3000 high-care heritage items had been removed (1-2 years) temporary services would need to be installed before the building was 'switched off'; many of these services were, and would remain, unmapped until the teams had full access to the building. A total decant of the Palace would reduce both the risk and cost of the Programme as the whole building could be opened up at once.
- 5.6 The safe removal of asbestos, a highly regulated process, would take around two years with 90 dedicated staff on site. The closest comparison project to date was Millennium Mills in the London Docklands.
- 5.7 Finally, the fire compartments would need to be created, around two and a half years of work, before the standard activities such as the installation of new services and lifts could commence. Any existing structures that needed to be removed to accommodate new services would be carefully dismantled and catalogued so that they could be returned as found on completion.
- 5.8 The basement would be stripped out to allow energy centres and plant rooms across the Estate to be connected and extensive external refurbishment would also be required.
- 5.9 The 'Allocation of Spend' was highlighted to members; with an estimated 88% of the spend allocated to saving the building and renewing the failing building services, approximately 9% on providing a building that everybody could use and approximately 3% on providing a working home for Members and Parliament.
- 5.10 The Board expressed concern about the accuracy of the figures presented without the intrusive survey data. The Programme Director reassured members that the team had accessed



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existing survey information held by the Houses; 20% of the heritage items had been catalogued, and three years of asbestos survey data was also available. The M&E would not be surveyed as it was scheduled for removal. Ground investigations and archaeological survey work remained essential. The structural survey work could not be completed until the teams were in the Palace.

5.11 Members focussed their comments specifically on the potential decant period. They challenged the team to look at how these might be compressed.

5.12 **DECISION:** The Board:

- i. NOTED the Initial Assessment of Cost and Schedule for the Essential Scheme;
- ii. NOTED that the Cost and Schedule information indicates a potential range of outcomes based on current information and remains subject to further work;
- iii. NOTED that a further discussion is planned on this topic at the Sponsor Board meeting on 10 January 2022 prior to the information being formally shared with the Commissions of both Houses; and
- iv. NOTED that the Sponsor Body has a Handling Plan in place to deal with the potential 'leaking' of the cost and schedule information.

6. Continued Presence Assessment

(SB/21/133)

Officials: David Goldstone, CEO, Delivery Authority

Matt White, Programme Director, Delivery Authority

6.1 The Programme Director introduced the Continued Presence Assessment paper noting that to facilitate a Continue Presence option the cost and duration of the programme would be significantly extended. The advanced works period would take around 3.5 years, and main works would have to be split in two with a single access point into and out of the Palace at any one time. Productivity levels would be about 20% lower due to access restrictions, particularly in the chamber where the circa 10 years' worth of work required would be fragmented across extended recess periods.

6.2 The Board reiterated their concerns about the potential length of the decant period and challenged the DA to make it shorter. The CEO of the DA assured members that there was still a lot more work to do before the final Programme Business Case was published, and that the team would continue to challenge the initial cost and time figures discussed at this meeting. He reminded the Board that the DA was working to a specific set of objectives and that the remit would need to be amended if different objectives were to be explored. .

6.3 The Chair reminded the Board that its job was to make a factual recommendation to the two House Commissions based on the information presented and the scope of works agreed.

6.4 **DECISION:** The Board NOTED the update on the continued presence study by the R&R Programme, in advance of the January Board meeting at which it will be asked to make a recommendation to both Houses.



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7. Comments, announcements, and other business

7.1 The Board NOTED the Future agenda (SB/21/134).

7.2 There was no further business.

7.3 The date of the next meeting would be Monday 10 January 2022.

7.4 The Chair brought the meeting to a close.

8. Papers enclosed for information

8.1 Communications Evaluation: October 2021

(SB/21/135)

8.2 Heritage Roadmap

(SB/21/136)

8.3 ISF Sub-Group Minutes

(SB/21/137)

Small sections of these minutes have been redacted, usually for reasons such as commercial confidentiality and sensitive management information.

Signed by:

Date: 31 January 2022
