



## Minutes Sponsor Board

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| <b>Meeting date</b>     | 8 March 2021    |
| <b>Meeting location</b> | Virtual Meeting |
| <b>Meeting time</b>     | 3.00pm – 6.30pm |

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| Members Present                  |
|----------------------------------|
| Liz Peace, Chair                 |
| Baroness Scott of Needham Market |
| Brigid Janssen                   |
| Damian Hinds MP                  |
| Ian Levy MP                      |
| Lord Best                        |
| Lord Carter of Coles             |
| Lord Deighton                    |
| Mark Tami MP                     |
| Marta Phillips                   |
| Simon Thurley                    |
| Simon Wright                     |

| Attendees   | Item  |
|---|-------|
| John Benger, Clerk of the House of Commons                | All   |
| Ed Ollard, Clerk of the Parliaments                       | All   |
| Sarah Johnson, CEO, Sponsor Body                          | All   |
| Simon Burton, Clerk Assistant, House of Lords             | All   |
| Kirsty Blackman, MP for Aberdeen North                    | All   |
| Ainsley Moore, Business Case Consultant, PwC              | 5     |
| Amanda Colledge, Business Case Director, Sponsor Body     | 5     |
| Andy Piper, Design Director, Delivery Authority           | 5     |
| Claire Maugham, Communications Director, Sponsor Body     | 1 - 7 |
| David Goldstone, CEO, Delivery Authority                  | 1 - 7 |
| Graham McClements, Principal Architect, BDP               | 5     |
| Gurdip Juty, Finance & Corporate Service                  | 2     |
| Johanna Porter, Board Secretary, Sponsor Body             | 1 - 7 |
| Karen Watling, Executive Assistant, Sponsor Body          | 1 - 7 |
| Lucy Owen, Chief of Staff, Sponsor Body                   | 1 - 7 |
| Kitty Kent, Business Case Consultant, PwC                 | 5     |
| Ruth Atkinson, Architectural Lead, BDP                    | 5     |
| Julian Flannery, Head of Architecture, Delivery Authority | 5     |



## 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. A quorum was present.

1.2 Kirsty Blackman MP and Simon Burton were welcomed to the meeting. Kirsty would, once the House resolution had passed, be replacing Tommy Sheppard MP on the Board, and Simon would be replacing Ed Ollard following his retirement as Clerk of the Parliaments on 2 April 2021.

1.3 The Chair gave the Board an overview of her engagement activities since the last meeting. She had attended:

1.3.1 A meeting with the Director General from the House of Commons, and the Managing Director of In-House Services & Estates, also including the CEO of the Sponsor Body and the Chair and CEO from the Delivery Authority on 23 February 2021.

1.3.2 An introductory meeting with the new Chief Information Officer for the Delivery Authority on 2 March 2021.

1.3.3 An introductory meeting with the future Sponsor Board Member, Kirsty Blackman MP.

1.4 No apologies were received for the meeting. Mark Tami MP had to leave the meeting at 5.30pm to give a presentation to the Parliamentary Labour Party (PLP).

1.5 The focus for the meeting was the Business Case: Strategy Update and Scope of Scheme Options for the Business Case (SB/21/022). In the view of the need to devote adequate time to this item the Chair requested that the regular updates were taken as read, and that the Commercial Activity Update (SB/21/023) was brought to the April meeting.

1.6 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 8 February 2021 (SB/21/016) as an accurate record of the meeting. The minutes would be signed electronically and published on the Programme [website](#).

2.2 **DECISION:** The Board reviewed the action log (SB/21/017) and NOTED progress against the actions since the last meeting.

2.3 It was requested that closed actions were removed from the paperwork and that all open actions had a current target completion date.



### 3. Sponsor Body progress report

(SB/21/018)

Period: February 2021

Official: Sarah Johnson, CEO, Sponsor Body

3.1 The Sponsor Body progress report was taken as read. The following points were raised and noted:

- 3.1.1 A third line assurance review would commence in April. The terms of reference were provided in the report for members' information. Those involved in the review would be contacted shortly.
- 3.1.2 The Strategic Review was scheduled for publication on Thursday 11 March 2021, subject to the clarifications and refinements to the narrative that had been discussed separately.
- 3.1.3 Marta Phillips, the Chair of the Audit & Assurance Committee (AAC) reminded the Board that the Committee would be meeting on Thursday 11 March. The minutes of both the Joint Risk Audit & Assurance Committee and the Sponsor's AAC would be brought to the next Sponsor Board meeting.

3.2 **DECISION:** The Board NOTED the Sponsor Body progress report for February 2021.

### 4. Phase 1 Expenditure Limit (P1EL) Update

(SB/21/019)

Official: Gurdip Juty, Finance & Corporate Services Director, Sponsor Body

4.1 The Finance & Corporate Services Director was available to answer the Board's questions on the amendments to the Phase 1 Expenditure Limit (P1EL) following extensive engagement with both House Commissions. The Board was content with the paper. He noted that there would be an oral evidence session of the [Parliamentary Works Estimates Commission](#) at 2.45pm on 24 March 2021 at which both CEOs would be giving evidence.

4.2 **DECISION:** The Board NOTED the updates to the full Phase 1 Expenditure Limit, APPROVED the revised formal Phase 1 Expenditure Limit as agreed by the House Commissions of £263m and NOTED the arrangements for the Sponsor Body to seek approval from the Estimates Commission to form the 2021-22 financial year Main Estimate to be laid in Parliament.

### 5. DA programme report

Period: December 2020

(SB/21/020)

January 2021

(SB/21/021)

Officials: David Goldstone, CEO, Delivery Authority

Matt White, Programme Director, Delivery Authority

5.1 The CEO for the Delivery Authority presented the Programme reports for December 2020 and January 2021. The following points were raised and noted:

- 5.1.1 The greater clarity on funding and the schemes to be progressed was very welcome. The DA's focus would now be scheme development, the 'continued



presence' variant, the survey work, and all elements of supporting development of the Business Case. The archaeological and ground penetrating radar (GPR) surveys were now underway in the Palace courtyards.

- 5.1.2 Board members noted that the Strategic Review had made it very clear that a 'continued presence' would cost more in time and money and potentially present a significant health and safety risk for the Programme.
- 5.1.3 The DA was keen to support the Sponsor Body's scrutiny and assurance roles as effectively as possible, and was looking at how it could improve, for example, its reporting to enable stronger holding to account, and to evidence its focus on cost control and further savings. If members had any questions about any aspect of the DA's work, then they could request further briefings as required.

5.2 **DECISION:** The Board NOTED the DA Programme Reports (executive summary) for both December 2020 and January 2021.

## 6. Business Case: Strategy Update and Scope of Scheme Options for the Business Case

(SB/21/022)

Officials: Amanda Colledge, Business Case Director, Sponsor Body  
Ainsley Moore, Business Case Consultant, PwC  
Kitty Kent, Business Case Consultant, PwC  
Andy Piper, Design Director, Delivery Authority  
Julian Flannery, Head of Architecture, Delivery Authority  
Ruth Atkinson, Architectural Lead, BDP  
Graham McClements, Principal Architect, BDP

6.1 The Business Case Director introduced the Business Case Strategy Update, saying that the paper was the culmination of 15 months of design work to better understand the range of potential improvements that could be made to the Palace. The recommendations from the Strategic Review had also been incorporated into the revised business case approach.

6.2 The following points were raised and noted:

- 6.2.1 The design team would need to make sure that all the elements of the different schemes could work together as a comprehensive and deliverable package. Decisions would need to be revisited if the initial design proposals outcomes were not achievable or did not represent the anticipated value for money.
- 6.2.2 The two scheme options that would be taken forward would be fully assessed before the Board was asked to make a final decision on which option was to be recommended. The assessment would include an assessment of maintenance and lifecycle cost/benefit implications.
- 6.2.3 It was noted that the schemes would be further refined as, for example, the requirements of the two Houses were better understood through further planned engagement. The Board would have further opportunities to consider the proposals and any recommendations as the designs developed.



- 6.2.4 The Board discussed how much flexibility would exist within the scheme options and reiterated the need to ensure the do-essential scheme option was the minimum required to meet the essential objectives whilst also satisfying the demands of a much-tightened public purse.
- 6.2.5 Sustainability: it was noted that further work would be done in the next stage of design to define further the scope of interventions to be pursued. The Board expressed that they would expect to see a differential between the two scheme options in terms of scope.
- 6.2.6 Building Conservation: There is a trade-off between what is spent as part of the Programme on building fabric repairs and conservation and future spend of the two Houses on repairs and conservations. This would be considered as part of the assessment of the two scheme options. Also, for consideration would be where money was required to be spent to ensure safety and minimise future problems.
- 6.2.7 Space: The next stage of design work would involve further engagement with the two House administrations and members about their requirements. This would inform the development of the designs in the next stage and would be for the Board to review final scope of the intermediate scheme.
- 6.2.8 Education: it was noted that the current education centre only had temporary planning permission, and the do essential scheme, in line with steers provided by the Houses, would make permanent this capacity, whilst the Intermediate scheme assumed an increase in capacity. The Board were interested in understanding further the requirements of the two Houses and the views of members with regards to the education centre, noting that given distance not all schools in the country were able to access the facility.
- 6.2.9 Catering: It was noted that the masterplan work would provide more information about possible site locations for back of house catering space.
- 6.2.10 External Realm: it was noted that the scope of works would be determined by what was required to satisfy planning requirements, and that the planning authority would be likely to consider the wider context for the external realm including the separate Parliament Square Streetscape Programme.

6.3 The Board was content with the direction of travel for the business case work and asked to receive regular updates on progress.

6.4 **DECISIONS:** The Board:

**Part 1: Business Case Strategy and Process**

- In line with the recommendations of the Strategic Review, APPROVED the proposed Strategic Objectives.
- NOTED the use of the Objectives in framing the scheme options to be assessed in the Business Case.
- NOTED the Delivery Authority will be instructed to consider a phased approach to the works, to minimise the period of full decant, and this will form the assumption for all options.



- NOTED that further work will be undertaken to assess the implications of a 'continued presence' for the House of Commons and that there will be a future decision point with the two Commissions, in advance of the completion of the Business Case process, to decide whether this requirement was taken further or not.
- NOTED the interdependency with the plans for House of Commons decant.
- NOTED the introduction of a new minimum intervention option into the House of Lords decant Business Case, in line with the Strategic Review recommendation.

**Part 2: Scheme Options**

- NOTED the recommendations for the best value for money options for the Scheme Variable Design Areas: Participation, Building Fabric, Logistics, Space, Catering and External Realm.
- NOTED the initial four shortlisted scheme options, that have been further refined to a short list of two, that will be included in the Programme Business Case.
- NOTED that the two options that will be pursued to the end of the business case process, will be the 'do essential' scheme and one intermediate scheme. The scope of the intermediate scheme will be finalised following further work to understand the best solution from a cost and schedule perspective.

**Part 3: Next Steps and Future Decisions**

- NOTED the future decisions required, the request of the Board to be briefed regularly on progress, and that a more detailed timeline with key milestones will be presented at a future Board.

**7. Comments, announcements, and other business**

7.1 **DECISION:** The Board NOTED the future agenda (SB/21/024).

7.2 The date of the next Board meeting would be Monday 12 April 2021. This had been moved from the previously agreed date of 6 April to give members a break over the Easter period.

7.3 The meeting was closed by the Chair at 6.35pm.

**8. Papers enclosed for information**

8.1 Co-location Workshop Outputs

(SB/21/025)

**Signed by:**

**Date:** 8 March 2021