



Meeting Minutes Sponsor Board

Meeting date	22 June 2020
Meeting location	Virtual Meeting
Meeting time	3.30pm – 6.30pm

Members Present
Liz Peace, Chair
Lord Best
Lord Carter of Coles
Lord Deighton
Damian Hinds MP
Brigid Janssen
Marta Phillips
Baroness Scott of Needham Market
Tommy Sheppard MP
Mark Tami MP
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
Michael Torrance, Head of Secretariat, Sponsor Body	All
Susannah Street, Board Secretary, Sponsor Body	All
Jo Porter, Governance Officer, Sponsor Body	All
Matt White, Programme Director, Delivery Authority	All
David Yass, Strategic Review lead, Sponsor Body	5 & 6
Richard Caseby, External Affairs Director, Sponsor Body	5 & 6
Chris Dawson, Head of Media and Campaigns, Sponsor Body	5 & 6
Mike Brough, Programme & Assurance Director, Sponsor Body	7 & 8
James Young, Head of Programme, Risk & Assurance, Sponsor Body	7 & 8

1. Welcome, Agenda & Declarations of Interest

1.1 The Chair welcomed those present to the fourth meeting of the substantive Sponsor Board. No apologies were received for the meeting. The CEO apologised for the recent IT difficulties experienced by Board members.

1.2 The Chair gave the Board an overview of her engagement activities since the last meeting. These had included discussions about the Strategic Review, and attending the meetings of both House

Commissions to discuss the Programme's budgetary provision for the 2020-21 financial year, which had now been approved.

1.3 No changes were tabled to the Board Meeting agenda (SB/20/042).

1.4 There were no declarations of interests made relevant to the items on the meeting's agenda.

2. Minutes of the previous meeting

2.1 The minutes of the previous meeting (SB/20/043) were APPROVED.

2.2 The Chair drew the Board's attention to the Action Log (SB/20/051). At the Board's May 2020 meeting the Board had noted that further clarification was required regarding the use of the Lords decant venue after the Programme was completed; the Chair queried when this would be resolved. The CEO updated the Board. The Board would return to the matter.

3. Sponsor Body Progress Report

(SB/20/044)

Period: May 2020

Official: Sarah Johnson, CEO, Sponsor Body

3.1 The Chief Executive Officer gave the Board an overview of the work of the Sponsor Body for the period. She had been asked to appear before the Public Accounts Committee to discuss the NAO report in late July. She noted that the Delivery Authority's CEO would join the organisation on 1 July and the Delivery Authority Board Chair would join on 13 July.

3.2 The following points were raised and noted:

3.2.1 The Board would discuss the corporate plan and business plans for 2020-21 at its next meeting: it was noted that while the Programme had been experiencing an exceptional set-up phase through early 2020, the Board would wish to discuss the 2021-22 corporate and business plans before the start of that financial year. The CEO concurred and noted that the process for producing those plans had already been kicked off.

3.2.2 The Chair noted that the Delivery Authority Programme Report mentioned the Sustainability Implementation Plan and that this had not yet been discussed by the Board.

3.2.3 A Board member noted the importance to the Programme of the Estate-wide strategic masterplan which was being prepared. The CEO noted that a meeting with In House Services and Estates (IHSE) about making progress on the masterplan would take place later that week to clarify roles and responsibilities. Whilst the Houses would own the masterplan and accountability for it sat with the House Commissions, clarity was needed on how that accountability would be discharged within the Houses and the role that the R&R Programme would play in progressing the work. Concern was expressed that a tight schedule for producing the masterplan needed to be set and realised. Feedback from the meeting and a further update on masterplan progress would be provided to the Board at its July meeting.

3.3 **DECISION:** The Board NOTED the contents of the Sponsor Body Progress Report for the period to early June 2020.

4. R&R Delivery Authority Programme Report

(SB/20/045)

Period: April 2020

Official: Matt White, Programme Director, Delivery Authority

4.1 The Programme Director gave the Board an overview of the work of the Delivery Authority for the period. There was a focus on staff wellbeing during the Covid-19 lockdown. Planning for a return to the office and restarting surveying work had begun. The DA spend for April had been £5.7m (excl. VAT) against the previous month's forecast of £6.6m (excl. VAT). The majority of the difference had been due to the delay to the roll-out of the new digital service from April to May 2020. An updated integrated schedule including the impact of Covid-19 on the Northern Estate Programme would be produced for July. The schedule for the production of Business Case papers was under review.

4.2 The following points were raised and noted:

4.2.1 The Board discussed the designation of the Northern Estate Programme into the R&R Programme. The expected designation had been deferred while the Strategic Review was carried out, because if the Strategic Review recommended a change of course such that the timing of works to Richmond House was no longer critical to the decant of the Palace, then the case for designation would be less compelling. If the Strategic Review did not make such a recommendation then designation was expected before the end of 2020, for which preparations were in hand.

4.2.2 It was expected that the Programme would return to the Commissions before the end of the financial year to seek approval of the full phase 1 expenditure limit. If there was an underspend for the current financial year due to work delayed by Covid-19, this could be adjusted for in the proposal for future budgets.

4.2.3 A Board member questioned the need for an interim project controls system. The Programme Director responded that the interim system would evolve into the full system.

4.2.4 It was noted that the Programme would no longer be moving to a new building at Drummond Gate. The schedule for the fit-out of the permanent offices at 50 Broadway was questioned; this was a landlord-delivered programme of work. The House of Commons was reassessing its property requirements in the light of increased demands to work from home after Covid-19. The Programme had not yet reassessed its property requirements and the appetite for and challenges of increased home working would need to be considered as it assessed how much space would be required.

4.3 **DECISION:** The Board NOTED the contents of the R&R DA Programme Report for April 2020.

5. Strategic Review Progress Report (oral update)

Official: David Yass, Strategic Review lead, Sponsor Body

5.1 The Strategic Review lead for the Sponsor Body gave the Board an overview of progress on the Strategic Review. The timescale was challenging but would need to be adhered to. Membership of the challenge group had been agreed and agreement had been reached on how the review team would work with members of both Houses, officials and external parties who would wish to feed into the review. The Strategic Review lead outlined how members of both Houses with different levels of interest in the review would be consulted, and the significant questions that would drive the review, on which some informal soundings would be taken. These questions included the relative importance of spend profile, affordability and value for money; requirements for the decant venues; and what drove accommodation requirements.

5.2 The following points were raised and noted:

5.2.1 It was noted that a number of members of the current Parliament had not been part of the previous Parliament which had passed the resolutions for R&R. While the review would not encompass a full re-estimate of costs, appropriate information would need to be provided to allow members to understand the cost differential, including the elapsed time of each option, between full, partial and no decant options. The increasing cost of maintaining the Palace through a patch-and-mend approach would also need to be made clear. It was noted that caution would be needed in drawing any comparisons between options whose costs and risks were relatively well understood and options on which little or no work had been done.

5.2.2 Board members discussed the need to ensure that the Strategic Review did not become embroiled in a constitutional argument about the role and location of the second Chamber.

5.3 The Board noted the oral update, and requested an informal session for Board members to more fully discuss the conversations being held with members of both Houses about the review, potentially in late July.

6. Media Plan during Strategic Review

(SB/20/046)

Officials: Richard Caseby, External Affairs Director, Sponsor Body

Chris Dawson, Head of Media and Campaigns, Sponsor Body

6.1 The External Affairs Director gave the Board an overview of the media plan for the duration of the Strategic Review. Polling and focus groups would be conducted to test the Programme's messages before the review was completed.

6.2 The following points were raised and noted:

6.2.1 It was noted that the prospect of a review shortly after the SB and DA were set up had been envisaged by the Joint Committee on the Palace of Westminster.

6.2.2 A Board member suggested that the Programme should give consideration to how issues of racial justice and the current scrutiny of the UK's history would impact on the Programme.

6.2.3 Messages about the employment that the Programme would create would also be important as was the need to protect the security of Parliament.

6.2.4 The membership of the steering group and challenge panel would be published.

6.3 **DECISION:** The Board ENDORSED the media plan for the Strategic Review leading up to the announcement of the Strategic Review findings in the autumn.

7. Heritage Decant Project Remit

(SB/20/047)

Officials: Mike Brough, Programme & Assurance Director, Sponsor Body

James Young, Head of Programme, Risk & Assurance, Sponsor Body

7.1 The Head of Programme, Risk and Assurance briefed the Board on the remit for the Heritage Decant Project, including the range of options currently being considered. Good progress had been made in defining the project and clarifying the accountabilities and responsibilities since the shadow Board had discussed the scope of the project in October 2019. More detail would come to the Board through the Business Case process. A wide range of options was being considered at the current stage.

7.2 The following points were raised and noted:

7.2.1 The Board warmly welcomed the work that had been done and the increased clarity for the project.

7.2.2 There were important questions for the project around what conservation work would be undertaken during the decant, and the standards that would be applied for storage and removals, given that the objects in the Palace were currently in use rather than in museum conditions.

7.2.3 The possibility of touring exhibitions of heritage items would be discussed further when the public engagement strategy returned to the Board. The inventory work that was being done would be vital.

7.3 **DECISION:** The Board NOTED the remit for the Heritage Decant Project.

8. Assurance & Risk Strategies

(SB/20/48)

Officials: Mike Brough, Programme & Assurance Director, Sponsor Body

James Young, Head of Risk & Assurance, Sponsor Body

8.1 The Programme and Assurance Director introduced the proposed Assurance and Risk Strategies for the Sponsor Body. These had been through various iterations over the previous year and were now

finalised. An assurance structure was proposed that would be in line with best practice and with Managing Public Money, that was proportionate, and that provided support to the Board and the Programme to enable learning and development. The team regularly discussed best practice with other bodies such as the Infrastructure and Projects Authority and the NAO. The Board had already discussed the Sponsor Body's risk approach: this would be aligned closely with those of the DA and the Houses, and the transition of risks between the Houses and the Programme would be managed through the Risk Interface Forum. Both strategies had been endorsed by the Sponsor Body Audit & Assurance Committee.

8.2 The following points were raised and noted:

- 8.2.1 The Chair of the Sponsor Body Audit & Assurance Committee noted that Parliament's Integrated Assurance Group would shortly wind up and would provide her with reports and lessons learned.
- 8.2.2 The Audit & Assurance Committee had suggested that the NAO should be invited to present the findings from its recent review to the Board, and that the Board should discuss the proposed management response. This would be arranged for July if possible.

8.3 **DECISION:** The Board APPROVED the Sponsor Body Assurance Strategy and Sponsor Body Risk Strategy.

9. Temporary Disapplication of Board Regulations (SB/20/49)

Official: Sarah Johnson, CEO, Sponsor Body

9.1 The CEO spoke to the paper. The Sponsor Body's Board Regulations and Scheme of Authorities had been drafted in anticipation of the Northern Estate Programme being designated into the R&R Programme. As this had been postponed, it would be preferable for the terms in the Regulations and Scheme referring to the NEP to be temporarily disappplied until the NEP had been designated in order to ensure clarity in governance and accountability.

9.2 **DECISION:** The Board APPROVED a resolution agreeing that clauses in the Board Regulations and Scheme of Authorities that related to the Northern Estate Programme would be disappplied insofar as they applied to NEP until such time as NEP was designated. The resolution read:

"The Board resolves that the following clauses contained within the Sponsor Body Board Regulations and Scheme of Authorities referring to the Northern Estate Programme (NEP) shall be disappplied until such time as the NEP scope is designated as Parliamentary building works by both House Commissions in accordance with Section 1 of the Act:

- i. Authorities reserved to the Board of the Sponsor Body:
 - Clause a) ix) Approval of Full Business Cases in respect of NEP projects;
 - Clause a) xii) NEP, Approval of any Delivery Authority commitment authority endorsed by the Sponsor Body's Accounting Officer with a value above £20m;
- ii. Authority to release Sponsor Contingency (for DA Works):
 - Clause a) ii) In Phase 2, NEP will be an integrated part of the Programme funding, but during Phase 1 there will be a separate NEP Sponsor Contingency provision [to which the same rules apply]

- iii. Commitment Authority:
- Clause a) ii) Approval of any NEP commitment authority above a value of £20m (by the Sponsor Board)

These disapplications shall also apply to Appendix 5 Operational Authorities Document of the Programme Delivery Agreement (PDA), which references the same.

This will be deemed to have taken effect from the date the Sponsor Body became a statutory body and will terminate on the date upon which the NEP scope is designated as Parliamentary building works by both House Commissions in accordance with Section 1 of the Act.”

10. Appointment of Independent Board Committee Member

Official: Sarah Johnson, CEO, Sponsor Body

(SB/20/48)

10.1 The Chair spoke to the paper. The Terms of Reference for the Sponsor Body Audit & Assurance Committee made provision for the Committee to include an independent external member. An excellent candidate had come to the Sponsor Body’s attention through another Programme recruitment process. The Chair of the Audit & Assurance Committee gave an overview of the candidate’s credentials and experience.

10.2 **DECISION:** The Board APPROVED the appointment of the nominated Independent Board Committee Member to the Sponsor Board Audit and Assurance Committee, with effect from 1 July 2020; APPROVED the terms and conditions including the remuneration and allowance for the Independent Board Committee Member; and APPROVED that the Chair of the Sponsor Board should sign the contract for services, including the terms and conditions and remuneration and allowance for the Independent Board Committee Member, on behalf of the Sponsor Body.

11. Comments, Announcements and Other Business

11.1 There was no other business.

11.2 The date of the next meeting would be 13 July 2020. The Board’s meeting dates for the autumn would be revised to align them with the DA Board’s meetings.

11.3 The Chair brought the Board meeting to a close at 17.47.

12. Papers Enclosed for Information

- | | | |
|------|--|-------------|
| 12.1 | Action Log | (SB/20/051) |
| 12.2 | Future Agenda | (SB/20/052) |
| 12.3 | Approved shadow Audit & Assurance Committee Minutes, 31 March 2020 | (SB/20/053) |
| 12.4 | Draft Audit & Assurance Committee Minutes, 4 June 2020 | (SB/20/054) |

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

Signed by: 

On: 14 July 2020
