

## Fifty-Second Report of Session 2022-23

### House of Commons; House of Lords, the Palace of Westminster Restoration and Renewal Delivery Authority and the Palace of Westminster Restoration and Renewal Sponsor Body

#### Restoration & Renewal of the Palace of Westminster – 2023 Recall

Introduction from the two Accounting Officers (the Clerk of the House of Commons and Clerk of the Parliaments), the R&R Client Team and the Delivery Authority

We are writing in response to the Public Accounts Committee's report published on 17 May 2023 (HC 1021), following our appearance before the Committee on 2 February 2023. We welcome the Committee's report and the Committee's on-going and careful scrutiny of the R&R Programme. Our joint response to the report's conclusions and recommendations is provided below, taking each recommendation in turn.

#### Relevant reports

- NAO report: [Restoration and Renewal of the Palace of Westminster: Progress update](#) – Session 2021-22 (HC 1016)
- PAC report: [Restoration & Renewal of the Palace of Westminster - 2023 Recall](#) – Session 2022-23 (HC 1021)
- [Treasury Minute July 2022](#) (CP 722) Response to the Committee

**1. PAC conclusion: During 2022 some critical programme changes were made at pace, but significant challenges still need to be addressed for progress to be made.**

#### **1. PAC recommendation: The Clerks should:**

- **set out the interim milestones they must meet to achieve the December 2023 timeframe for presenting initial options to Parliament, and then an outline business case in 2024 or 2025, to effectively assess the risks of not meeting these dates.**
- **ensure that ongoing maintenance works do not cross purposes with the restoration and renewal works with the full portfolio of works on the Palace representing value for money**

The Clerk of the House, Clerk of the Parliaments, Client Team and the Delivery Authority agree with the Committee's recommendations.

#### **First bullet – interim milestones**

We agree that it is critical to present a strategic case with a proposed way forward for the R&R programme this year to both Houses. Following that direction detailed costed proposals must be developed as soon as practical, allowing a decision, as set out under the R&R Act, on delivery of the programme.

The key milestones for the Programme over the next 12 months are set out below. Updates on these will be included in regular quarterly progress reports to be published by the R&R

Programme Board now that the new governance has been implemented. The first of these reports was published on 6 June and is available on the Programme Board's website.<sup>1</sup>

Key Programme Milestones	Milestone Description
Programme Delivery Agreement Agreed  <i>December 2022 COMPLETE</i>	This is the formal agreement between the two Houses and the independent Delivery Authority.
Statutory Instrument in force  <i>December 2022 COMPLETE</i>	The Statutory instrument to amend the Parliamentary Buildings (Restoration and Renewal) Act and bring the sponsorship of the Programme into Parliament came into force on 1 January 2023
R&R Options Assessment Complete  <i>January 2023 COMPLETE</i>	A wider range of options has been developed and assessed by the Delivery Authority ready for presentation to the R&R Programme Board
2023/24 Intrusive Surveys Plan agreed  <i>March 2023 COMPLETE</i>	The plan for future surveys to support R&R.
R&R Options shortlisting started with Programme Board  <i>March 2023 COMPLETE</i>	The R&R Programme Board will be considering the range of R&R options and proposing a shortlist of those for endorsement by the R&R Client Board.
R&R Options Shortlist, Strategic Objectives and vision endorsed by the Client Board  <i>July 2023 ONGOING</i>	This shortlist of options along with strategic objectives and a vision will be part of the strategic case brought back to the Houses at the end of 2023.
Early and enabling works design started	Developing plans and designs for early R&R works integrated with ongoing works on the estate.

<sup>1</sup> [Restoration and Renewal Programme Board - Publications - Committees - UK Parliament](#)

<i>July 2023 ONGOING</i>	
Strategic case endorsed by Client Board  <i>October 2023 NOT STARTED</i>	The strategic case will make recommendations to both Houses on the way ahead for R&R.
Strategic case presented to the Houses  <i>December 2023 NOT STARTED</i>	A motion will be put to both Houses to agree the way ahead for R&R based on the strategic case recommendations.
2024/25 Delivery Authority Budget Approved  <i>March 2024 NOT STARTED</i>	Agreement to the future Delivery Authority budget based on the way ahead agreed by both Houses.

The options which are shortlisted this year and agreed in a strategic case in December 2023 will then be developed further in an outline business case. This outline business case will inform the detailed costed proposals for the works, as required under the Parliamentary Buildings (Restoration and Renewal) Act 2019 (the Act), Section 7, to allow the Houses to take a decision about delivering the works in Phase 2 of the Programme.

The timing of engagement around the costed proposals and a decision, as set out in the Act, in 2024 or 2025 will also need to take into account any general election period, making it hard to be definitive at this stage.

### ***Second bullet – ongoing maintenance***

Work is already happening, and must continue, across the Parliamentary estate by in-House teams to ensure the continued safety, and on-going functional working of the Palace, for those who work and visit.

Major works across the Parliamentary estate already delivered include:

- Life safety fire improvement works
- Stonework monitoring and repair
- Restoring Elizabeth Tower and Big Ben within it
- Fixing cast iron roofs across the estate
- Work to clean and repair St Stephen's Hall ceiling
- Replacing encaustic tiles throughout the Palace
- Work to partially replace outdated mechanical and electrical systems
- Work to support resilient security and digital systems that enable the continued business of Parliament

Currently there are dozens of major projects underway to repair key areas and buildings by in-House teams including Strategic Estates, Digital, and Maintenance. Projects include the Victoria Tower and Norman Shaw North. At any one time there are dozens more projects

underway to improve and repair key services and keep the estate running for the 3000+ people on site each day.

A number of work streams are already in place to mitigate the risk that this work is not integrated and to support co-ordinated planning between the Business-as-Usual Teams. The joint adoption of a Parliamentary Estate Development Framework including a masterplan and design principles, shared technical standards and the work of the R&R official level governance integrating work across estate related groups, will all support this much-needed alignment. The creation of an integrated schedule is on-going and works on the ground, including surveys, are currently coordinated by the logistics team within Strategic Estates, with a number of lessons learnt and implemented following a number of surveys undertaken over recent recess periods.

Four areas of critical works have been developed collaboratively between in-House teams and the Delivery Authority, which Strategic Estates will deliver in advance of R&R:

- External fabric repairs to Victoria Tower<sup>2</sup>
- Flat roofs
- Mechanical, electrical and fire safety programme
- Fabric safety

The teams will continue working together to identify works which it is appropriate and necessary for the in-House teams to deliver ahead of the main R&R works.

All projects now started on the estate are subject to an 'R&R test' which assesses whether they are critical to deliver ahead of R&R and what provides the best value for money in how they are delivered. This includes assessing whether the scope of projects can be adapted given the anticipated R&R main works to ensure overall value for money.

**2. PAC conclusion: There remains a lack of clarity over what a restored Palace will look like, and how it will be delivered, which makes the programme currently extremely difficult to cost with any certainty.**

**2. PAC recommendation: The Delivery Authority should:**

- ***Present cost and time estimates in ranges, which will narrow over time as uncertainties reduced, and set out the built-in assumptions behind how estimates have been generated.***
- ***Report back on progress with the potential 'R&R pilot' and how this has impacted the assumptions underlying the programme.***

The Clerk of the House, Clerk of the Parliaments, Client Team and the Delivery Authority agree with the Committee's recommendation.

***First bullet – present cost and time estimates in ranges***

The R&R Client team will be presenting cost and time ranges in the strategic case and the costed proposal that will be presented to the Houses, the first of which is due to be considered by the Programme Board and Client Board in Autumn 2023.

***Second bullet – potential 'R&R pilot'***

A set of principles for early (or pilot) R&R projects has been agreed with the Client Board. Some potential projects have been suggested to the Client Board and feedback has been

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<sup>2</sup> Critical health and safety external fabric repairs to Victoria Tower and other works that could be meaningfully undertaken from the scaffold offering value for money.

received. These potential projects will be further developed, assessed and reviewed with in-house teams so that the early estimates of costs, timescales, and pros and cons of each can be considered by the Client Board in the autumn. Members will be kept informed through the regular R&R updates and publication of the strategic case.

**3. PAC conclusion: Transparency will be critical to facilitate accountability, and for Parliament and the public to gain confidence in the programme and its leadership.**

**3. PAC recommendation: The Clerks must commit to:**

- **Fulfilling commitments made to this Committee in 2022 which include publishing an annual performance report providing a timely and accurate programme overview.**
- **Improving member engagement, which will include managing their expectations on the information that will be available to make decisions at these early programme stages.**

The Clerk of the House, Clerk of the Parliaments, and Client Team agree with the Committee's recommendations.

#### ***First bullet – annual performance report***

Previous commitments made to the Committee are already being fulfilled and, specifically, the first R&R annual progress report from the House Administrations is due to be published before summer recess 2023.

In addition to the annual progress report, the Programme publishes quarterly reports providing updates on the Programme and setting out progress against key milestones. The latest quarterly report was published on the R&R Programme Board's website in June. The R&R Client and Programme Boards also publish meeting agendas, and the Formal Minutes for each meeting, on their respective websites, for transparency purposes.

The Clerk of the House and the Clerk of the Parliaments have previously committed to publishing the outcomes of any future work by the Independent Advice and Assurance Panel (IAAP) which they commission, subject to the agreement of the Commissions acting as the Client Board.

The first IAAP report was published in June 2022 as an appendix to the Joint Commissions' Report Restoration and Renewal of the Palace of Westminster – a new mandate. The latest IAAP report, undertaken in February, was published on the Programme Board's website in June 2023.

#### ***Second bullet – improving Member engagement***

Improving Member, and wider internal, engagement has been a priority for the new R&R Client Team with new senior resource put in place to manage this aspect of the programme and close collaboration with in-house teams.

Since the transfer of accountability for R&R to the Clerks in January 2023, the following engagement activities have taken place:

- Domestic Committees and relevant Select Committees in both Houses were engaged on the emerging options in February
- Awareness raising stands were held in both Portcullis House and the Palace in March, April and from June to July

- House and Members' staff focus groups, and 1:1 interviews with Members, focusing on the impacts and benefits of the options, were undertaken in May
- Engagement with Party Groups is ongoing.

In line with commitments made, Members have been communicated with directly following the first meeting of the R&R Client Board, in advance of the motion to appoint the R&R Programme Board and to alert them to the engagement stands. Members were also notified directly of the publication of both the Quarterly Report for R&R and the IAAP report in June. Members will continue to be alerted to key decisions and publications in the future. A Restoration and Renewal information hub is in place on the parliamentary intranet site.

A comprehensive engagement plan, agreed by the R&R Programme Board, is also in place for the remainder of 2023 and leading up to the initial vote on a strategic case. The plan seeks to ensure regular internal engagement with Members and other passholders. A separate plan addresses external engagement. At all times Members will be made aware of the level of detail available in this phase of the Programme. Ranges, referencing current figures, will continue to be expressed to help manage expectations.

**4. PAC conclusion: It is unclear how the Clerks will manage their legal responsibilities to the programme alongside those to individuals working in and visiting the Palace**

**4. PAC recommendation: The Clerks of the House of Commons and House of Lords need to set out the:**

- ***circumstances in which they would use something akin to a ministerial direction; and***
- ***the practical process they would follow should they be asked to do something which causes a conflict between their respective legal responsibilities.***

The Clerk of the House and Clerk of the Parliaments agree with this recommendation.

The Corporate Officers acknowledge that the legal responsibility for decisions relating to the Parliamentary building works is theirs under the Parliamentary Buildings (Restoration and Renewal) Act 2019, subject to the requirements set out in the Act to consult with Members and others. They also have other statutory responsibilities, such as the responsibility for fire safety in the Palace.

The House of Commons already has a limited process equivalent to a ministerial direction, which applies only in the context of a disagreement with the Speaker or other Members about procedure. In that situation, the Clerk of the House would place a note in the Library recording the disagreement. The House of Lords has an agreed Lords governance framework which states that *"Where the Accounting Officer objects to a proposed course of action by the Commission on grounds of propriety, regularity, value for money or feasibility such that they are bound by their statutory duties to reject that course of action, they shall present a memorandum to that effect to the Commission which will be minuted."*

In this context, an equivalent of a ministerial direction would be of very limited value, as there is no-one with the authority to "direct" the Corporate Officers in relation to the building works. Therefore, in the event of a significant disagreement on appropriate schemes for the Restoration and Renewal works, the Corporate Officers would instead record their disagreement in formal Board minutes and through correspondence (which could be laid in the Libraries of both Houses). The Corporate Officers have already put on record at the R&R Programme Board on 5 June that they would be unable to support a construction scenario for the works if they felt that it presented an extraordinary level of unmitigated risk to anyone on

the Estate, including staff, contractors and visitors.<sup>3</sup> In other statutory contexts, similar mechanisms would be used to record the Corporate Officers' disagreement with a decision taken by either House.

**5. PAC conclusion: Compliance with health and safety protocols, in particular reporting asbestos incidents, remains unsatisfactory.**

**5. PAC recommendation: Before embarking on the more substantial R&R works, the Clerks must set out how they will reiterate the importance to contractors of their responsibilities and contractual requirements, particularly concerning the timeliness and accuracy of reporting, and what they will do to hold them to account for meeting these responsibilities.**

The Clerk of the House and Clerk of the Parliaments agree with this recommendation.

The Clerks fully recognise the need to reiterate the importance of excellent health and safety performance, including the timeliness and accuracy of reporting, to all those involved in ongoing construction activities and future R&R works. The House safety teams work closely with the supply chain and their counterparts in the R&R team to do so. As contractors engaged in the substantial R&R works will have a contractual relationship with the R&R Delivery Authority, rather than the House Authorities, the Clerks will utilise the Programme Delivery Agreement to be explicit with the high expectations they have of them in managing their supply chain and seek assurances of their mechanisms to hold poor performers to account. This agreement will also outline how both organisations will cooperate with one another on health and safety matters; and take reasonable steps to coordinate activities and inform one another where there are risks to health and safety. To supplement the agreement, the Houses have a robust framework of monitoring and assurance to ensure that responsibilities of all parties are fully discharged and any indicators of poor performance are identified early and acted upon.

In addition, the Clerks would like to note that, as outlined in their oral evidence, Parliament has always had a database of incidents, in order to discharge its obligations under health and safety and social security law. Improvements have been made to the accuracy and timeliness of incident reporting which underpins the database. The recruitment of a new Director of Parliamentary Safety remains ongoing. An interim is expected to be appointed shortly, to ensure necessary improvements to safety structures and governance are expedited.

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<sup>3</sup> [R&R Programme Board, Formal Minutes, 5 June 2023, Item 5](#)