

Essential Scheme: Initial Assessment of Cost and Schedule; and Continued Presence: Impact Study

Deposited paper

Title Essential Scheme: Initial Assessment of Cost and Schedule; and Continued Presence: Summary of Impact Study
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This paper has been deposited in the Libraries in the two Houses of Parliament, following the request of the House of Commons Commission on [1 February 2022](#) that the Sponsor Body publish the Initial Assessment of Cost and Schedule and of Continued Presence to inform consideration by both Houses. The same information (albeit presented in a different format) was provided to and considered by the Sponsor Board on 6 December 2021 and 10 January 2022, the House of Lords Commission on 17 January 2022, and the House of Commons Commission on 24 January 2022.

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Some redactions have been made to this material for security reasons.

Executive Summary

1. The information contained in this paper has recently been considered by the two House Commissions. Following that consideration, the Commissions have decided that the Restoration and Renewal (R&R) Programme should not proceed as originally envisaged (the minutes of their most recent meetings are [annexed](#)) and the Commissions are discussing the next steps. As part of its discussions, the House of Commons Commission specifically asked the Parliamentary Works Sponsor Body to publish the information contained in this paper. The Parliamentary Works Sponsor Body awaits further instructions from the House of Commons and House of Lords in terms of the scope of any future R&R works and the organisational arrangements to oversee and deliver those works.

Initial Assessment of Cost and Schedule for the Essential Scheme

2. In December 2021 the Sponsor Body and Delivery Authority completed an early-stage assessment of the overall potential cost and schedule of the R&R Programme—specifically the cost and schedule of the “essential scheme”. A separate assessment for the “intermediate scheme” was due to be completed before the end of [March 2022](#). This approach to developing scheme [options](#) and their cost and schedule was agreed with the Commissions following the Sponsor Body’s Strategic Review of the Programme published in March 2021.
3. In line with the mandate set out in the 2018 Resolutions, the R&R Act, and the “essential objectives” agreed with both House Commissions following the Strategic Review, the essential

scheme was intended to deliver a number of critical improvements to the Palace, including removing asbestos, substantially reducing fire risk, and replacing the failing network of essential building services (power network, sewage and water, gas and heating, data cables etc).

4. This early-stage assessment was intended to give parliamentary stakeholders a preliminary view of the potential range of cost and schedule for the main building phase of the Programme, during which the works were to be carried out. The assessment is based on an extract of information from the early part of the Concept Design (RIBA 2) stage.
5. These estimates were preliminary, approximately half way through the period that had been agreed for the development of full proposals to be included within a detailed and costed restoration plan for the works, a “Programme Business Case”. The Sponsor Body and Delivery Authority needed to carry out significantly more work during 2022, including further surveys and investigations into the condition of the buildings, before a formal range of cost and schedule estimates could be finalised. The formal cost and schedule estimates would have been included in the Programme Business Case, which would have been put before both Houses for approval in 2023.
6. The potential cost and schedule ranges included provision for the House of Lords and Heritage Collections decant projects, as well as the works to the Palace.
7. The potential cost and schedule ranges also included significant allowances for cost and schedule contingency to allow for the range of risks inherent in such a complex programme of works, and to account for the early stage of the analysis. The estimates of contingency for the schedule and cost were derived following good practice guidance in the development of Business Cases.
8. The potential range of cost for the Essential Scheme, including allowances for contingencies as described above, was set out as £7bn to £13bn. The lower end of the range represents a P50 level of risk (in other words, there is a 50% chance of this outcome being achieved) and the upper end of the range represents a P80 level of risk (there is an 80% chance of this outcome being achieved). Values are at current day prices and at the cost to the public purse i.e. without VAT.
9. The largest proportion of cost for the Essential Scheme Main Works (88%) is associated with the works required to save the Palace and renew the building services; the proportion of costs associated with a working home for Members and Parliament is 3%; and the proportion of costs associated with a building that everyone can use is 9%.
10. The potential schedule range for the Essential Scheme, again including contingencies for risks as described above, was set out as 19 to 28 years. Within this, the potential range of years during which the Palace would need to be vacated is 12 to 20 years. The lower and upper end of these ranges also represent a P50 and P80 level of risk.
11. At this early stage of design there is always a high level of uncertainty in any cost and schedule estimates because: requirements and assumptions are still being clarified; surveys are being undertaken to understand the current buildings and ground conditions; and design options are being explored. This was reflected in the early-stage assessment by a significant amount of contingency provision at this stage.

Continued Presence Impact Study

12. In December 2020, when considering the draft report of the Strategic Review of the R&R Programme, the House of Commons Commission agreed to request that, as part of its preparation of the Programme Business Case, the Sponsor Body should carry out further work to

fully understand the costs, time and other implications of carrying out the necessary works whilst a presence is maintained in the Palace.

13. The Strategic Review published in March 2021 concluded that if the Palace works were carried out without the Palace being fully vacated, they would take decades longer, cost billions more and create “extraordinary” risks.
14. Following the Strategic Review, the House of Commons Commission proposals for maintaining a continued presence of “essential” and “highly desirable” functions of the House of Commons in the Palace during the R&R programme of works was discussed with the Sponsor Body. In April 2021 the Commission set out its “essential” and “highly desirable” functional requirements for a continued presence scenario. The Sponsor Body agreed in May 2021 to conduct a study of “continued presence” and to report back to the Commission in 2022.
15. The study explored the implications of two scenarios: Scenario 1 in which House of Commons Chamber business and associated functions remains within the HoC Chamber until such a point is reached whereby all operations are transferred to another space within the Palace of Westminster, to allow the rest of the work to proceed; and Scenario 2 in which House of Commons Chamber business and associated functions remains within the HoC Chamber throughout the entirety of the R&R Programme of works and there is no transfer.
16. The study found that the duration of the R&R Programme works with a continued presence for the House of Commons would extend the time needed for the Essential Scheme by between 7 to 15 years for Scenario 1. The additional time needed would be 27 to 48 years in Scenario 2, based on a P50 – P80 range.
17. For Scenario 1, the study found that the R&R Programme cost could increase by around 40% excluding VAT and inflation, to £9.5bn (P50) - £18.5bn (P80) and by 150% including VAT and inflation. The increase could be around 60%, to £11bn (P50) - £22bn (P80), and 180% respectively in Scenario 2.
18. The study found that there are a number of key risks of a continued presence scenario which would have to be addressed if it were to proceed. These included: fire safety; compliance with health and safety legislation; noise and vibration; lack of provision for a recall of the House of Commons; and changes to parliamentary business, including ways of working and possible changes to parliamentary procedure.

Decisions of the House Commissions

19. The decisions of the House of Commons Commission and House of Lords Commission in response to the information provided by the Sponsor Body are set out in Annexes 2 and 3.

Initial Assessment of Cost and Schedule for the Essential Scheme

Introduction

1. This paper sets out the outcome of an early-stage assessment by the Sponsor Body and Delivery Authority of the potential cost and schedule of the restoration and renewal “Essential Scheme” for the Palace of Westminster, as well as the impact of the “continued presence” study on that assessment.
2. The paper includes a summary of the component elements of the Essential Scheme for the Palace. It also summarises the significant further work and assurance which was due to be undertaken by the Sponsor Body and Delivery Authority during 2022 before a formal estimate of cost and schedule ranges was finalised. The formal estimate of cost and schedule would have been part of the Programme Business Case (PBC) which was planned to be completed in early 2023.
3. The Continued Presence Impact Assessment is based on the Delivery Authority’s report in response to the request from the House of Commons Commission. It sets out the cost and time implications of a continued presence of “essential” and “highly desirable” functions of the House of Commons (as specified by the Commission) in the Palace during the R&R programme of works, as well as the key issues and risks that have been identified to date. The Executive Summary of the Delivery Authority’s report is provided in Annex 1.
4. The Sponsor Board considered this information initially on 6 December 2021 and held a further discussion on 10 January during which it was agreed that the information should be shared with the House Commissions. The House of Lords Commission considered this information on 17 January and the House of Commons Commission on 24 January. The minutes of these meetings have been published on the respective bodies’ websites.

Background

5. In March 2021, following the conclusion of the Strategic Review,¹ the Sponsor Board approved a set of Strategic Objectives for use in framing the scheme options to be developed in the R&R Programme Business Case (PBC). As well as taking into account the outcome of the Strategic Review, these objectives were derived from the formal mandate for the R&R Programme as set out in the 2018 Resolutions and the 2019 R&R Act. The objectives were endorsed by the House Commissions in May 2021.² In March 2021, the Sponsor Board also noted the refinement of the shortlist of scheme options from four to two—the Palace Essential Scheme and the Palace Intermediate Scheme.
6. The R&R Programme’s plans for Phase 1 of the Programme (the phase during which the “Programme Business Case” is prepared) stated that an initial assessment of the cost and schedule for both the Essential and Intermediate Schemes would be available in early 2022. This paper covers the Essential Scheme and the Continued Presence Impact Study only. An equivalent assessment for the Intermediate Scheme was due to be considered by the Sponsor Board before the end of the first quarter of 2022.

¹ Restoration and Renewal Programme, [Strategic Review](#), March 2021.

² The House of Commons Commission endorsed on [17 May 2021](#) the “essential” and “stretch” objectives presented by the Sponsor Body, subject to Sponsor Body adoption of a set of principles defined by the Commission as a framework for evaluation of the scheme options. The House of Lords endorsed the “essential” and “stretch” objectives” on [25 May 2021](#).

The Palace of Westminster Essential Scheme

7. The Essential Scheme responds to the Essential Objectives and is intended to deliver the core measures necessary for the R&R Programme. The information contained in this section of the paper assumes a full decant of the Palace of Westminster in line with the 2018 Resolutions approved by both Houses of Parliament³ and the outcomes of the Strategic Review.
8. Appendix A and B set out the scope of the Essential Scheme aligned to the Essential Objectives. Key components of the Essential Scheme include:
 - i. Removal of **asbestos** where it is disturbed by R&R works.
 - ii. Substantially reduced **fire risk** to building occupants and to the building fabric through introduction of fire compartmentalisation and firefighting cores.
 - iii. Renewed network of **essential building services** (plumbing, electrics, data cables etc.) and new plant rooms, resilient for the future, and including the introduction of fresh air mechanical ventilation to defined areas in the Palace (note the specific requirements for which areas require fresh air mechanical ventilation remain under discussion which may materially affect the cost of this work).
 - iv. Improvements to the **energy efficiency** of the building through measures such as wall insulation, roof insulation and ground source heat pumps. All energy efficiency measures in the Essential Scheme will deploy proven technology and will enable the Palace to move away from using gas to using electricity (and assume decarbonisation of the grid).
 - v. **Backlog repairs and conservation** to the building fabric only (note the specific requirements for this scope will be subject to discussions with Historic England and the Planning Authority).
 - vi. Improvements to **accessibility** which would deliver c.60% accessible entrances, c.75% routes within the Palace that are step-free (excluding the basement and other above ground areas but including the public galleries) and a reduction in the number of routes within the Palace where there is shared public and passholder access.
 - vii. Other improvements to functions such as **security, catering and logistics** within the site, and in facilities for **visitors and education**.
9. As recommended in the Strategic Review, the R&R Programme was planning to adopt a phased approach to carrying out the works. This approach would minimise the period when the Palace was not occupied by (i) carrying out certain works in advance of “decanting” people from the Palace and (ii) beginning the re-occupation before all the works were finally complete. The approach was divided into four phases:
 - i. **Enabling works.** These included setting up contractor site compounds around the Palace and utility diversions and improvements (for example, roadworks to divert gas, power and water out of the way of future works). These works would have a minimal impact on the operation of Parliament.
 - ii. **Advanced works.** These include creating a temporary jetty and platform in the Thames River to provide a base for staff facilities, tower cranes, areas for loading and unloading river transported materials. Early packing and removal of certain non-business critical heritage items. A scaffolding structure would be erected around the outside of the Palace. An off-site logistics centre would be established for the processing and security clearing of deliveries. These works would have some impact on the operation of Parliament.
 - iii. **Main works** for the restoration of the Palace, during which the Palace would be fully decanted.
 - iv. **Progressive re-occupation.** As certain areas of the Palace reached a completed stage, there would be an opportunity for those areas to be re-occupied by Members and staff.

³ 31 January 2018 (House of Commons) and 6 February 2018 (House of Lords)

Initial Assessment of Cost and Schedule

10. The initial assessment of the cost and schedule of the Essential Scheme is based on an extract of information from the early part of the Concept Design (RIBA2) stage. This stage will continue through to the end of Phase 1 of the Programme when the PBC will be submitted, prior to the commencement of Detailed Design.
11. This Initial Assessment was provided to allow parliamentary stakeholders a view of the potential range of cost and schedule for Phase 2 of the Programme (i.e. following approval of the PBC). **Significantly more work was required through 2022 before a formal range of cost and schedule estimates was to be finalised.** The potential cost and schedule ranges include provision for the House of Lords and Heritage Collections decant projects as well as the works to the Palace.
12. The potential cost and schedule ranges also included significant allowances for cost and schedule contingency to allow for the range of risks inherent in such a complex programme of works, and to account for the early stage of the analysis. The estimates of contingency for the schedule and cost were derived following good practice guidance in the development of Business Cases (see paragraphs 16 – 17).
13. **The potential range of cost for the Essential Scheme is £7bn to £13bn.** The lower end of the range represents a P50 level of risk (i.e. there is a 50% chance of this outcome being achieved) and the upper end of the range represents a P80 level of risk (i.e. there is an 80% chance of this outcome being achieved).
14. **The potential schedule range for the Essential Scheme is 19 to 28 years.** Within this, **the potential range of years during which the Palace would need to be vacated is 12 to 20 years.** The lower and upper end of these ranges also represent a P50 and P80 level of risk.
15. Further information on potential cost and schedule is included in Appendix C.
16. At this early stage of design there is a high level of uncertainty in the estimates stated above because: requirements and assumptions are still being clarified; surveys are being undertaken to understand the current buildings and ground conditions; and design options are being explored. Consequently, there is a significant amount of contingency provision included in the estimate at this stage.
17. The current contingency provision in the estimate is based on independent analysis by Oxford Global Projects of what is required given the outcomes of similarly complex Parliamentary and Heritage building projects in the UK and around the world. This top down benchmark work, called Reference Class Forecasting, is used widely across Government and is recognised by HM Treasury and the Infrastructure and Projects Authority as good practice.
18. As the designs and the corresponding estimates were developed in 2022, more detailed bottom up benchmarking and quantitative risk estimates would have been completed which could be compared to the current top-down contingency allowance. Both of these approaches would have then informed a more precise estimate and range of cost and time in the Programme Business Case (PBC).
19. Work would have been carried out to determine the appropriate indices to use for inflation and discounting in the PBC. The information in Appendix C includes potential ranges with and without inflation (on which no discounting for the time value of money has yet been applied) and non-recoverable VAT.

20. Table 1 below contains information summarising the proportionate (%) break down of spend between different elements of the Essential Scheme Main Works. The largest proportion of cost is associated with the works required to save the Palace and renew the building services (approximately 90%).

Table 1	% of cost
Save the Building and Renew Failing Building Services	
Building Services (incl. Heating, Ventilation and Cooling)	51%
Conservation and Building Fabric	16%
Asbestos Removal	8%
Fire Protection	7%
Energy & Carbon	5%
Catering (Back of House, reinstatement following building services work)	1%
Total	88%
A Working Home for Members and Parliament	
Security	2%
Space Adaptations	1%
Logistics	< 1%
Total	3%
A Building that Everyone Can Use	
Accessibility	6%
External Realm	2%
Visitors Centre	1%
Education Centre	<1%
Total	9%

21. Given this is an Initial Assessment of Cost and Schedule, the data has not been subject to an extensive independent assurance exercise. However, each of the 13 cost elements of the Essential scheme were reviewed by an internal, independent expert to ensure they had been compiled in an industry-standard way and represented value for money based on the level of design maturity. The compiled Essential scheme in total, and the Delivery Authority programme costs, were also

reviewed. The building cost benchmarks prepared by the Programme estimators were reviewed by an external principal quantity surveyor team for suitability.

22. Over the course of 2022, and prior to the PBC being finalised, extensive assurance activities (including external challenge) would have been undertaken to ensure that the PBC was a robust product.

Further Work on the Initial Assessments – Key Activities for 2022

23. A significant amount of further work would have been required during 2022 to inform and develop the preliminary proposals contained in the Initial Assessment. Key activities for the Palace included:
- i. Further detailed planning of the delivery methodology, including sequencing of works and logistics arrangements. The Sponsor Body had specifically asked the Delivery Authority to prioritise work to optimise the overall schedule with the objective of minimising the total decant period and to identify the material drivers of time, so that potential de-scoping options could be considered to achieve a shorter decant period.
 - ii. Further development and testing of the Concept Design in response to the ongoing work to finalise Parliament’s User Requirements.
 - iii. Further engagement with Members in both Houses.
 - iv. Preparation of the material to inform the Management and Commercial Cases in the PBC. For the Management Case, this would have included more detail on the arrangements that would exist between the Sponsor Body and the two Houses for the management of any potential changes in scope, schedule or cost of the Programme, and the arrangements for managing contingency funding.
 - v. Development of both the Economic and Financial Cases, including treatment of inflation and articulating the Benefits to be delivered through the R&R Programme.
 - vi. A range of assurance activities including on the cost, risk and schedule inputs to the PBC.
 - vii. Further discussions with stakeholders such as Historic England, Westminster City Council and UNESCO on the acceptability of the R&R proposals.
24. Work on the Project Business Cases for the House of Lords and Heritage Decant Projects would have continued: these were both key inputs to the PBC. The R&R team would have continued to work with the House of Commons Administration on potential options for the decant of the House of Commons.

Continued Presence Impact Study

25. In December 2020, when considering the draft report of the Strategic Review of the R&R Programme, the House of Commons Commission agreed to request that, as part of its preparation of the Programme Business Case, the Sponsor Body should carry out further work to fully understand the costs, time and other implications of carrying out the necessary works whilst a presence is maintained in the Palace.
26. The Strategic Review published in March 2021 concluded that if the Palace works were carried out without the Palace being fully vacated, they would take decades longer, cost billions more and create “extraordinary” risks.
27. Following the Strategic Review, the House of Commons Commission proposals for maintaining a continued presence of “essential” and “highly desirable” functions of the House of Commons in the Palace during the R&R programme of works was discussed with the Sponsor Body. The Sponsor

Body agreed in May 2021 to conduct a study of “continued presence” and to report back to the Commission in 2022.

Study Approach

28. In April 2021 the Commission set out its “essential” and “highly desirable” functional requirements for a continued presence in the House of Commons (Appendix D). This proposed retaining certain Parliamentary business functions and the Speaker’s Residence during the works.
29. The Sponsor Body tasked the Delivery Authority to carry out a study and produce a final report to the Commission in early 2022, baselined against the R&R Palace of Westminster Essential Scheme.
30. The study used the Commission’s “essential” and “highly desirable” functional requirements to demonstrate how individual spaces might be used in a continued presence scenario. Ultimately, however, it would be for the House to decide how space will be used.
31. Engagement with Parliamentary officials through four collaborative workshops in July 2021 supported the Programme’s understanding of the “essential” and “highly desirable” functions, in particular potential impacts to business-as-usual activity and procedural practice.

Scenarios 1 and 2

32. The study developed two scenarios to deliver a continued presence. A summary of each scenario is provided in the table below.

Scenario 1	Scenario 2
House of Commons (HoC) Chamber business remains within the HoC Chamber and associated functions* until such a point is reached whereby all operations are transferred to another space within the Palace of Westminster (assumed to be the House of Lords Chamber), to allow the rest of the work to proceed.	House of Commons (HoC) Chamber business and associated functions* remains within the HoC Chamber throughout the entirety of the R&R programme of works and there is no transfer. In this scenario we have assumed an extended recess period (mid-July to mid-Oct), and that there would be no recall to the historic House of Commons Chamber during that period.

* Associated functions reference the “essential” and “highly desirable” functions provided by the House of Commons Commission – included in Appendix D.

Continued Presence Study Findings

33. In Scenario 1, all essential and highly desirable functions could be accommodated but in more condensed space (c.78% of current allocation) within a continued presence area, on the assumption that suitable mitigation of key risks (especially in relation to fire safety and security of access routes) could be developed and agreed with the Parliamentary teams. The difference with Scenario 2 is that highly desirable functions can be accommodated for almost all of the time, except for (i) access to the public which could not be provided for a period of c.3 years, and (ii) the Speaker’s Residence for a period of c.6 years.
34. **The duration of the programme of R&R Programme works would extend from those anticipated for the Essential Scheme by between 7 to 15 years for Scenario 1. The extension would be 27 to 48 years in Scenario 2, based on a P50 – P80 range** (nb. the information in Annex 1 includes a number

of schedule scenarios for the Continued Presence option. Direct comparators with the Essential Scheme information are provided in Appendix C).

35. **For Scenario 1, the R&R Programme cost has been estimated to increase by around 40%, excluding VAT and inflation** (converting to a 150% increase, including VAT and inflation, due to the impact of inflation over such an extended period). **The increase has been estimated to be around 60% and 180% respectively in Scenario 2.**
36. Further cost and schedule information is included at Appendix C.
37. The increase in cost is due mainly to three factors:
- i. Additional works, equipment, and services to keep the Chamber operating (with required levels of resilience) and separated from the construction area.
 - ii. The loss in productivity resulting from the severely constrained site and access arrangements.
 - iii. The extended time needed to undertake and complete the works.
38. The Programme cost estimates are focussed on the programme of works and do not include allocations for consequential costs to be borne by Parliamentary teams. The House of Commons has provided some high level estimates of costs. These consequential costs include increased costs associated with the QEII lease (required for the decanting of the House of Lords), operational security costs, and extended periods of decant for the archives and heritage collections. The costs also do not include any savings generated by not constructing a temporary House of Commons Chamber. Whilst none of these items are considered to have a significant impact on the comparison with the Essential Scheme, provisional estimates are currently being made for each of the items to produce a more holistic estimate.
39. Key issues found that are common to both schemes include:
- i. The current arrangement of fire escape routes from the Chamber would be deemed to be non-compliant (too narrow) against Building Regulations and would therefore need to have specific operational mitigations in place to control this risk. This situation would be maintained during the majority of the R&R Programme until such time as either the Commons temporarily locates to the Lords' Chamber (Scenario 1) or works start in the Chamber during recess periods (Scenario 2) to address this issue. By the nature of the restoration and construction works, the risk of fire increases during the Programme. The management arrangements required to control the risk would need regular review and update. This would be a matter for the House of Commons to resolve how it would mitigate fire evacuation risks sufficiently and consider how the transfer of potential liability between the Commons and the Programme would be handled. Further discussions with Speaker's Counsel would be recommended to consider this risk and the legal accountabilities further.
 - ii. For health and safety law, the management of the overall site and areas within that would need further definition and agreement to set out clear responsibilities and accountabilities. In addition, Parliament is not subject to prosecution under certain legislation, including the Health and Safety at Work Act, 1974 (HASWA) although Parliament has long committed to comply as if it does. The Delivery Authority and any Principal Contractor (appointed under the Construction (Design and Management) Regulations) is strictly subject to the requirements of HASWA and its criminal sanctions whereas, technically, the Corporate Officers are not. This imbalance would need to be addressed in the context of a mixed site where continued presence co-exists with a construction site. This would require detailed and extensive legal discussion with the Corporate Officers, and specialist legal advice.

- iii. Undertaking restoration and construction work around working functions of the House of Commons will introduce a level of residual disruption and nuisance that, even when mitigated, will be experienced for decades. The House of Commons will need to be satisfied that Members and staff are prepared to work in such an environment. If these factors are not tolerable then either the works are re-planned and take longer, or the House would need to decant to an undetermined location at relatively short notice.
- iv. Having explored lessons learned from other refurbishment projects, it is known that users of operational areas adjacent to a construction site which have asbestos removal activity have a very low tolerance of general construction dust. This is driven by the concern that the dust contains asbestos material. Significant construction delays have resulted due to the requirement to regularly test the dust to prove no asbestos material was present.
- v. The Parliamentary Security Department have indicated it would wish to deploy guarding to a similar standard along the Continued Presence area boundary in addition to that provided around the estate boundary today.

Also, no working arrangements have yet been found that can work with certain emergency procedures during Continued Presence. This would need to be explored further.

- vi. The House of Lords period of decant would be significantly extended in parallel with R&R works and it will be decades before the buildings and estate are restored and renewed in the final state. This will vary between the two scenarios considered but there are opportunities to explore re-occupation earlier once works in this area is complete while other areas of the Estate are being finished. These opportunities would need review with the House of Lords as further details were developed.

40. The additional significant issues found specific to Scenario 1, which would need to be satisfactorily addressed and resolved before a Continued Presence approach could be progressed, include:

- vii. When the Commons has moved elsewhere in the Palace (assumed to be the Lords Chamber but this requires further discussion with the House of Lords), access for Members can only be provided via a route that is outside of the secure boundary, since the exit from Portcullis underpass would be blocked whilst restoration and construction works are being carried out on the northern part of the Palace.

41. The additional significant issues found specific to Scenario 2 include:

- viii. Work on the Chamber will be undertaken in a particularly piecemeal fashion so as to allow time for security checks and housekeeping before the Chamber sits, at the end of the various stages of restoration, asbestos removal and construction works. There is a risk that insufficient time has been allocated, which could impact the timings of Chamber business.
- ix. Once work within the Chamber has started, the protection hoardings and safety ceiling which segregate the working area from Chamber business would remain in place during sitting periods. This is because the elements of work cannot be completed in a single recess period. Even though no work would be undertaken in sitting periods, the hoardings could be deemed visually intrusive.

42. House of Commons officials have also provided a high level view of the potential risks, issues impacts, and opportunities from a Continued Presence. The key risks and issues have been highlighted above and the analysis provided to the Sponsor Body for consideration.

Key Risks

43. **Health and Safety.** In addition to the specific issues noted above, the complexity of operating parliamentary business surrounded by a live construction site, even assuming all industry best practice, will inevitably substantially increase general risks relating to safety, security, and evacuation.
44. **Noise & Vibration.** Early analysis shows that noise and vibration levels for Members and officials in the continued presence area, whilst mitigated as far as possible, could nonetheless increase to unacceptable levels if multiple activities (e.g. drilling or cutting) occurred together or in multiple areas surrounding the Chamber. This would be difficult to rule out at this stage given the complex nature of the R&R works. Should the work have to stop due to disturbance to parliamentary business it will inevitably delay the Programme and would be likely to cause additional costs.
45. **Lack of provision for recall.** This requires further discussion and provision may need to be considered outside of the Palace.
46. **Changes to Parliamentary Business.** The setup of an operational island within the construction site is likely to need changes to parliamentary teams' ways of working and may require procedural changes, such as the procedure for divisions. This would be for the House Service to consider.

Sarah Johnson

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22 February 2022



Appendix A: Summary of the Essential Scheme

Fire	Asbestos	Security	Participation Visitors	Participation Education	Step-free Access	Space	Catering	Logistics	Building Services	Building Conservation	Energy & Carbon	External Realm
Fire risk to occupants reduced to low*	Remove all asbestos disturbed by R&R works	Zoning and protection for key spaces	New visitor entrance and improved inclusive facilities	Ed. Centre Capacity remains as existing (3 groups/hr). Location TBC	75-80% internal step free access	Internal adaptations	Same provision as existing	Above ground drop off in Black Rods Garden (with no access to spine road)	Min fresh air mechanical ventilation*	Backlog repairs only	Higher carbon reduction	Min Improvements beyond boundary to obtain planning

* with evidence-based improvements



Appendix B: Essential Scheme: Description of Scope and Link to the Essential Objectives

Strategic Theme	Essential Objective	Design Area	Do Essential Scheme
1. Health & Safety	Substantially reduce the fire risk to as low as reasonably practicable to preserve life, preserve the building, collections, and support business continuity	Fire	<p>Fire risk to occupants reduced to Low (with evidence based improvements)</p> <p>Reduces fire risk to occupants to Low and risk to firefighting to Medium-Low Ongoing fire risk to building fabric reduced as far as practicably possible balanced against immediate fabric intrusion Enables progressive evacuation with provision of 14 circulation cores, of which 4 are firefighting cores Only 15% of building required to evacuate immediately, improving business continuity</p>
2. Health & Safety	Where impacted by the Programme remove asbestos (or where more appropriate make it safe) to provide the lowest practical risk for maintenance and operation of the building	Asbestos	Remove all asbestos disturbed by R&R works
3. Health & Safety	Where impacted by the Programme, include measures that enable Parliament to manage the most significant known and emerging security threats at the time of key decisions, and where practical provide flexible solutions to facilitate the mitigation of future threats	Security	<p>Zoning & protection for key spaces</p> <p>Security Programme mitigations made permanent Zoning and protection for key spaces. No collaboration with external projects for the public realm.</p>
4. Accessibility & Inclusion	Provide a welcoming experience (with improved flow and separation, access, and facilities) for those visiting the Palace to participate in the democratic process and for formal learning purposes	Participation – Other Visitor Facilities	<p>New visitor entrance and improved, inclusive facilities</p> <p>New visitor entrance with 5 search & screen lanes and a direct link into Westminster Hall Improved inclusive welfare and retail facilities within PoW for visitors and visitor staff Exhibition space in Westminster Hall</p>
		Participation – Education	<p>Capacity of education centre remains as existing</p> <p>Location TBC (3 groups/hr)</p>



	Essential Objective	Design Area	Do Essential Scheme
5. Accessibility & Inclusion	Provide non-discriminatory and inclusive access to a substantial area of the building for the public, members and staff	Step-free access	<p>75-80% internal step-free access</p> <p>75-80% internal step-free access, primarily public zone 60% of entrances are accessible</p> <p>No step-free access to Victoria Tower, St Stephens Hall, St Mary's <u>Undercroft</u> and a number of discriminatory routes remain</p>
Functionality & Design	Deliver the accommodation, technology and facilities to support the effective, efficient, safe and secure operation of Parliament	Space	<p>Internal adaptations</p> <p>c.8,000m2 (18%) usable space lost due to other interventions Some remaining space near Chamber made open plan to provide working space. (Note: lost cellar offices would not be replaced but would need to be accommodated elsewhere on the estate)</p>
		Catering	<p>Same provision as existing</p> <p>Back of House catering space lost due to other interventions. Lost space replaced with decentralised kitchens to ensure same provision as existing.</p>
		Logistics	<p>Above ground drop off in Black Rod's Garden with no access to spine road (24/7)</p>
Functionality & Design	Make the building services sufficiently capable; available; resilient to support the operation of Parliament; and with minimum comfort criteria for the medium term (i.e. for ambient temperatures expected over circa thirty years), making future renewals possible without another full decant	Building Services	<p>Min fresh air mechanical ventilation</p> <p>Provides the majority of offices and meeting rooms (around 90%) in the Palace with updated and more energy efficient minimum fresh air mechanical ventilation, providing a significant improvement on the thermal comfort and control of the internal environment of these areas.</p> <p>Building services are replaced and new energy centres created.</p>



Strategic Theme	Essential Objective	Design Area	Do Essential Scheme
Sense of History	Carry out essential repairs and urgent conservation work, address fabric safety issues and move the building to a state where planned maintenance to protect the building fabric into the future can be carried out without undue impact on the operation of Parliament	Building Fabric & Conservation	<p align="center">Backlog repairs only</p> <p align="center">Backlog repairs and conservation resulting in local enhancement of fabric service life. Some necessary improvement works will still be outstanding and limited investment in medium or long term.</p>
Sustainability	Use proven technology and solutions that meet environmental obligations and support Parliament’s goal of becoming carbon-neutral by 2050	Energy & Carbon Reduction	<p align="center">Higher carbon reduction</p> <p align="center">Delivers potential energy savings and carbon reduction through roof insulation, secondary windows and high performance glazing for 50% of windows, a 33% reduction in air permeability, and installation of a water source heat pump and 1,250m2 of photovoltaic panels.</p>
External Realm	Implement works in the external public realm where required to satisfy planning requirements for the Programme	External Realm	<p align="center">Minimum improvements beyond boundary to obtain planning</p> <p align="center">Improvements to external spaces within the Palace Boundary (e.g. enhanced greening, Westminster Hall forecourt)</p> <p align="center">Minimum required improvements beyond the Palace Boundary in order to obtain planning consent.</p>



Appendix C: Further information on emerging cost and schedule



HOUSES OF PARLIAMENT
RESTORATION & RENEWAL



Emerging Programme Cost and Schedule

December 2021

Emerging Programme Costs and Schedule

The emerging costs and schedule:

- Are Phase 2 only i.e. an early indication of what the funding request *could* be in the Programme Business Case
- Exclude the costs that will be incurred by one or both Houses of Parliament (e.g. House of Commons decant costs)
- Are presented in current day prices (i.e. without inflation) and at the cost to public purse (i.e. without VAT)
- Are being presented as an indicative range (Base, P50, P70 and P80)
- At this early stage of developing schedule and cost estimates, the levels of risk (referred to as P50, P70 and P80) have been produced using independent analysis of what contingency allowance might be required given the outcomes of similarly complex Parliamentary and Heritage building projects in the UK and around the world. Quantified levels of risk, based on risks specific to the R&R Programme, are planned to be calculated during 2022.
- The levels of risk provision included in the initial estimates, as indicated by the independent analysis, are shown in the table:

	P50	P70	P80
Cost Risk Provision	35%	90%	165%
Schedule Risk Provision	12%	57%	85%

Essential Scheme : Assuming Full Decant



Summary: Essential Scheme Assuming Full Decant

Phase 2	Base	P50	P70	P80	Range P50-P80
Schedule Summary:					
Total time from business case approval (years)	17 yrs	19 yrs	24 yrs	28 yrs	19 yrs to 28 yrs
Decant period (years)	11 yrs	12 yrs	17 yrs	20 yrs	12 yrs to 20 yrs
Cost Summary:					
Cost: Current day prices (£bn)	£5.5bn	£7bn	£10.5bn	£13bn	£7bn to £13bn

Cost by Project: Essential Scheme Assuming Full Decant

Cost by Project: Current day prices (£bn) Phase 2	Base £bn	P50 £bn	P70 £bn	P80 £bn	Range P50 - P80
Palace of Westminster	£3.4bn	£4.5bn	£7bn	£9bn	£4.5bn to £9bn
House of Lords Decant	£0.4bn	£0.5bn	£0.6bn	£0.6bn	£0.5bn to £0.6bn
Heritage Decant	£0.2bn	£0.3bn	£0.4bn	£0.4bn	£0.3bn to £0.4bn
R&R Programme	£1.5bn	£1.7bn	£2.5bn	£3bn	£1.7bn to £3bn
Total	£5.5bn	£7bn	£10.5bn	£13bn	£7bn to £13bn

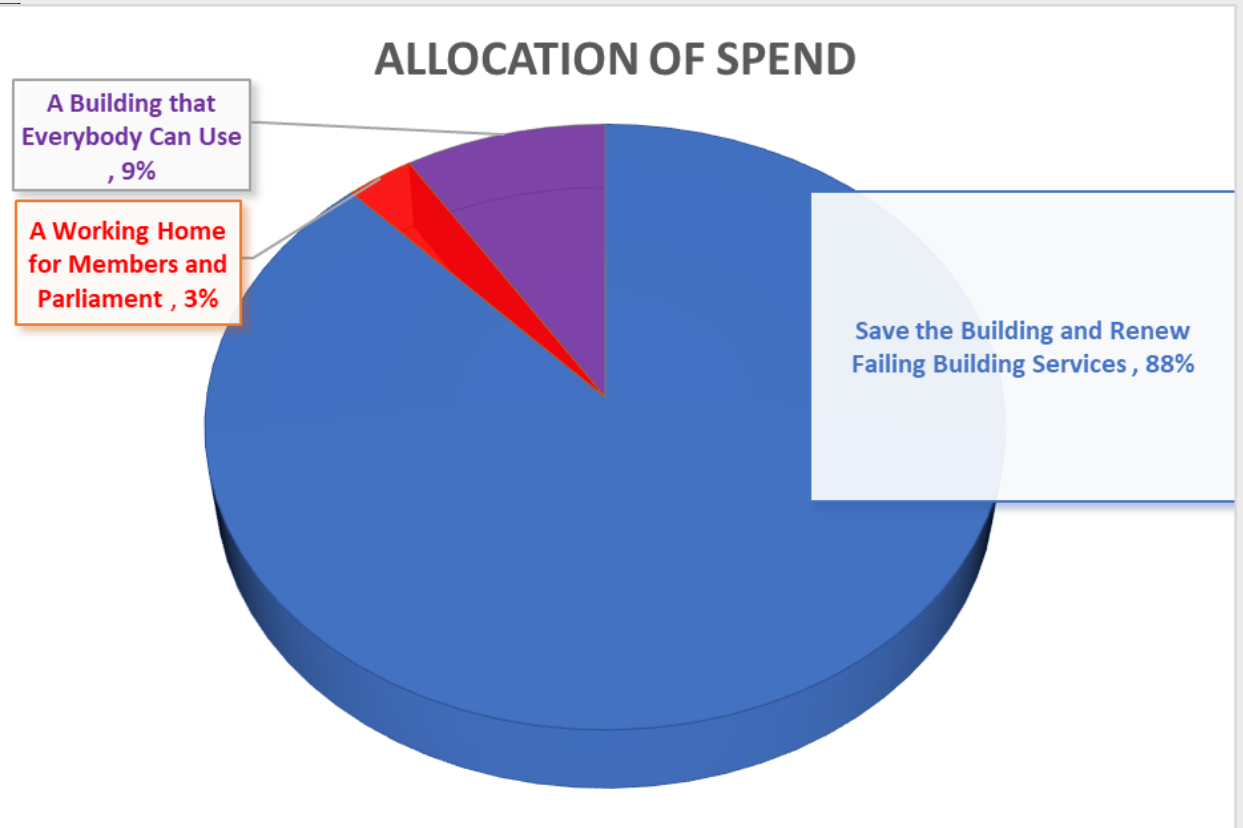
Note:

R&R Programme costs include the costs for the Delivery Authority managing and assuring the works; and the Sponsor Body costs.

The R&R Programme costs are subject to a significant amount of refinement during 2022.

PoW Allocation of Spend: Essential Scheme (Full Decant)

Phase 2	Base £m	%age
Save the Building and Renew Failing Building Services		
Building Services (inc. Heating, Ventilation and Cooling)	£1320m	51%
Conservation & Building Fabric	£400m	16%
Asbestos Removal	£220m	8%
Fire Protection	£200m	7%
Energy & Carbon	£130m	5%
Consequence of Building Services work : (Kitchen reprovision)	£30m	1%
sub total Renewing Failing Building Services	£2300m	88%
A Working Home for Members and Parliament		
Security	£40m	2%
Space	£15m	1%
Logistics	£5m	<1%
sub total A Working Home for Members and Parliament	£60m	3%
A Building that Everybody Can Use		
Accessibility	£150m	6%
External Realm	£50m	2%
Visitors Centre	£30m	1%
Education Centre	£10m	<1%
	£240m	9%
Palace of Westminster: Main Works	£2600m	100%
Design, Enabling and Advanced Works (inc Surveys)	£850m	
Palace of Westminster Base Cost	£3450m	



Enabling & Advanced Works includes: engineering and architectural design, establishing an off site logistics centre, construction of a river jetty with associated river transportation, utility diversions, installation of new temporary services, conducting detailed surveys & investigations, and establishing site contractor compounds.

Cashflow: Essential Scheme Assuming Full Decant

Cashflow Phase 2	Years 1-5 £bn	Years 6-10 £bn	Years 11-15 £bn	Years 16-20 £bn	Years 21-25 £bn	Years 26-30 £bn
Total Spend in 5 Year Period						
P50	2.5	2.7	1.0	0.8		
P70	3.3	3.3	1.3	1.8	0.9	
P80	3.5	4.2	1.5	1.8	1.4	0.6

Average Annual Spend in 5 Year Period	£bn	£bn	£bn	£bn	£bn	£bn
P50	0.5	0.5	0.2	0.2		
P70	0.7	0.7	0.3	0.4	0.2	
P80	0.7	0.8	0.3	0.4	0.3	0.2

Essential Scheme : Assuming Continued Presence



Continued Presence: Impact on Cost and Schedule

Essential Scheme	Full Decant Range P50-P80	Continued Presence			
		Scenario 1		Scenario 2	
		Range P50-P80	Variance	Range P50-P80	Variance
Schedule Summary:					
Total time from business case approval (years)	19 yrs to 28 yrs	26 yrs to 43 yrs	7yrs to 15 yrs	46 yrs to 76 yrs	27 yrs to 48 yrs
Decant period (years)	12 yrs to 20 yrs	21 yrs to 35 yrs	9 yrs to 15 yrs	13 yrs to 22 yrs	1yr to 2 yrs
Cost Summary:					
Cost: Current day prices (£bn)	£7bn to £13bn	£9.5bn to £18.5bn	£2.5bn to £5.5bn	£11bn to £22bn	£4bn to £9bn

Note:

Excludes impact on House of Commons /House of Lords budgets:

- Security is estimated to cost an additional £25m per annum during continued presence
- The House of Lords would incur additional lease costs on QEII
- Initial assessment of House of Commons decant costs is due in January 2022 from the House of Commons Administration

Appendix - Costs with assumed Inflation and VAT



Essential Scheme : Full Decant: Including inflation and VAT

Phase 2	Base	P50	P70	P80	Range P50-P80
Cost: Current day prices (£bn)	£5.5bn	£7bn	£10.5bn	£13bn	£7bn to £13bn
Inflation (£bn)		£2bn	£3.5bn	£4.5bn	£2bn to £4.5bn
VAT (£bn)		£1.5bn	£3bn	£3.5bn	£1.5bn to £3.5bn
Cost Including Inflation and VAT (£bn)		£10.5bn	£17bn	£21bn	£10.5bn to £21bn

Essential Scheme: Continued Presence Impact: Including inflation and VAT

Essential Scheme	Full Decant Range P50-P80	Continued Presence			
		Scenario 1		Scenario 2	
		Range P50-P80	Variance	Range P50-P80	Variance
Cost: Current day prices (£bn)	£7bn to £13bn	£9.5bn to £18.5bn	£2.5bn to £5.5bn	£11bn to £22bn	£4bn to £9bn
Cost Including Inflation and VAT (£bn)	£10.5bn to £21bn	£17bn to £37bn	£6.5bn to £16bn	£20bn to £48bn	£9.5bn to £27bn



Appendix D: Continued Presence Essential and Desirable Functions

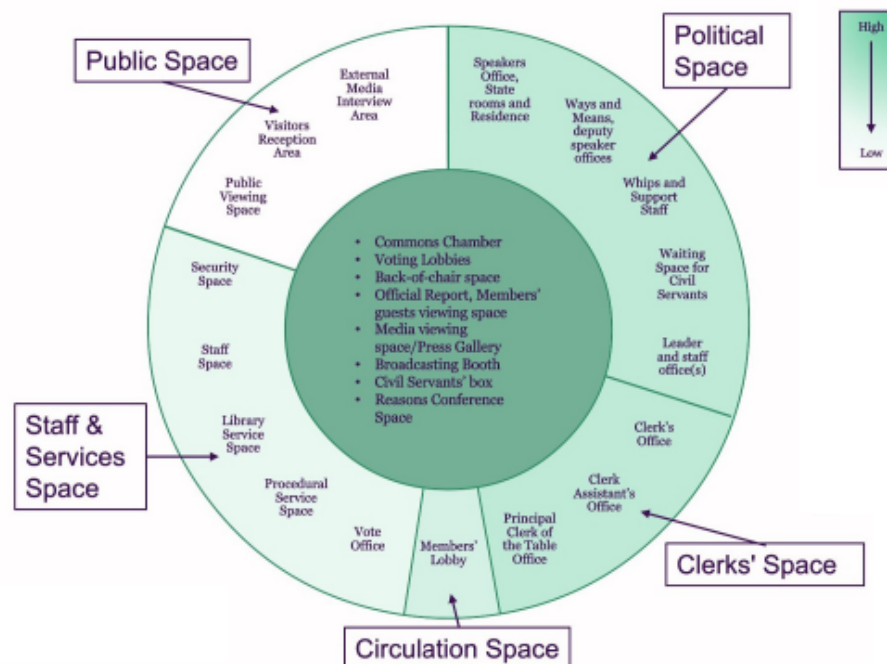
Essential Functions:

1. Commons Chamber
2. Voting Lobbies
3. Back of Chair space
4. Official Report (Hansard)
5. Members Guest Viewing Space
6. Media Viewing Space and Press Gallery
7. Broadcasting Booth
8. Civil Servants Box
9. Reasons Conference Space
10. Supporting welfare facilities e.g. WC's

Highly Desirable Functions:

11. Speakers Office (incl Private Office)
12. Speakers State Rooms
13. Speakers Residence
14. Ways and Means Offices (Deputy Speakers and Ways and Means Staff)
15. Whips and Support Staff
16. Waiting Space for Civil Servants
17. Leader and Staff Offices
18. Clerk's Office
19. Clerk's Assistant Office
20. Principal Clerk of the Table Office
21. Members' Lobby
22. Vote Office
23. Procedural Service Space
24. Library Service Space
25. Staff Space
26. Security Space
27. Public Viewing Space
28. Visitors Reception Areas
29. External Media Interview Area

Highly Desirable Priority of Space:





HOUSES OF PARLIAMENT

R&R SPONSOR BODY

Annex 1: Executive Summary Extract from Continued Presence Report

UNRESTRICTED

HCC 2022/06B – Annex 1

Continued Presence

November 2021



HOUSES OF PARLIAMENT
R&R DELIVERY AUTHORITY

November 2021

UNRESTRICTED
4107-RRP-PS-RG-00064_01_HR

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Quality Assurance

Document Approval

	Name	Signature	Date
Drafted by	████████		
Quality Review by	████████		
Equality Analysis by	██████████		
Peer reviewed by	████████		
Approved by	████████		

Sponsor Body Endorsement

	Name	Signature	Date
	PDA Group	N/A	18/11/2021

Document History

Revision	Name	Date
1.0	Issue to meet PPM	16/11/2021
2.0	Issue to Sponsor Body	29/11/2021
3.0	Final issue to Sponsor Body	05/01/2022

Precis

The R&R Strategic Review, published in March 2021, considered what had changed since the publication of the Independent Options Appraisal (IOA) in 2014 and whether that was significant enough to warrant a change in strategy. The Strategic Review continued to recommend a full decant from the Palace of Westminster. Following the Strategic Review, the House of Commons Commission proposals for a Continued Presence (Continued Presence) of “Essential” and “Highly Desirable” functions of the House of Commons in the Palace during the R&R programme of works was discussed with the Sponsor Body. The Sponsor Body agreed to conduct a study of Continued Presence to report back to the Commission in 2022. The decision on Continued Presence will inform the detailed technical and costed proposals being developed for the Programme Business Case.

This study undertook a conceptual assessment of retaining a Continued Presence when compared to the Essential Scheme, which assumes the Palace is fully vacated for the main R&R works. It assesses a range of impacts of meeting the Essential and Highly Desirable functions requirements considering technical, programme delivery, cost, schedule and risk to provide a holistic context for the decision.

The study demonstrates Continued Presence would result in significant prolongation before existing conditions are improved, at much higher cost and would create additional significant risks (particularly fire, health and safety and asbestos) and disruption. It would achieve the same outcomes of the Essential Scheme, but much later. However, Continued Presence could only be delivered if the following key challenges are resolved:

- **The existing fire risk**, particularly in Commons Chamber, should be made as low as reasonably practicable before starting restoration and construction works. Overall fire risk is also increased by the adjacent construction work. It is recommended that the Houses review and advise their proposed control measures to verify whether a Continued Presence approach is viable in relation to this inherent fire risk. The Houses position would also need review by R&R before confirming restoration and construction work could be delivered to acceptable safety standards and meet relevant legislation
- The study has not found a **secure means of access from Portcullis House** into the Palace during a period of Scenario 1. Further study would be needed to verify if a solution can be found, or whether there are acceptable mitigations

- There are **significant constraints on security resources, additional costs and risk** with Continued Presence . Parliamentary Security Department (PSD) advise extra security is required to guard the Continued Presence boundary [REDACTED] [REDACTED] to access the extra resource and the increased total cost of security will be amplified significantly by the prolonged duration of Continued Presence . The presence of a large construction workforce adjacent to ongoing Parliamentary business heightens overall security risk. Further discussion is needed with PSD to verify if these security risks can be mitigated to acceptable levels

In parallel, a summary of impacts has been made by the Commons engagement groups and these align with the findings of this study as well as the key challenges identified above.

Following an initial request by the Commons Commission and further engagement with two Parliamentary focus groups, this study assesses the impacts of retaining a Continued Presence of the House of Commons business, including Essential and Highly Desirable functions, when compared with the full decant basis of the Essential Scheme. The two scenarios modelled are:

- **Scenario 1.** House of Commons (HoC) Chamber business remains within the HoC Chamber and associated functions until a point is reached whereby all operations are transferred to another space within the Palace of Westminster, to allow the rest of the work to proceed.
- **Scenario 2.** House of Commons (HoC) Chamber business and associated functions remains within the HoC Chamber throughout the entirety of the R&R works and there is no transfer. In this scenario an extended recess period (mid-July to mid Oct) would be used and there would be no recall to the historic HoC Chamber during that period

A consolidated Chamber operational area can house essential and highly desirable functions in the structural block around the Chamber, with the majority of functions relocating into this area which would provide 78% of the current operational space.

In contrast with full decant, to deliver the R&R Programme whilst maintaining a Continued Presence for the House of Commons, requires additional provisions and a revised sequence of construction to safely carry out the restoration and construction works when compared to the Essential Scheme. This includes significant additional enabling works and provision of resilient temporary services for the Commons Chamber [REDACTED]. All these are extra features required to deliver Continued Presence . In Scenario 2, where work is only possible during non-sitting days and recess, the Chamber will be worked on sequentially during non-business hours in roughly 10 zoned off areas and a working platform will be hung from the ceiling to facilitate higher level works. These features will be present for the duration of works to the Chamber.

Works would be phased to enable construction across all areas of the Palace whilst maintaining ongoing Commons' business. This results in more work needing to be completed delaying the start of the main restoration and construction work; splitting the whole programme into two – undertaking each part sequentially rather than in parallel, as well as introducing an additional middle phase to transfer Chamber operations; and lower productivity of construction and restoration within a more constrained working environment.

In each scenario, there will be a period of preparatory advanced works followed by two phases for the main restoration and construction activity. Phase 1 is common to both where the southern part of the Palace is restored and constructed first. In Scenario 1, there is a transfer to the northern Palace areas with the Commons relocated to the Lords in the south. In the second phase of Scenario 2 access routes are adjusted, New Palace Yard is released for restoration and construction and the Commons becomes a distinct island surrounded by construction areas. However, works in the Commons Chamber will be active during both phases and due to the constrained working windows and the necessary sequential process, it results in almost 30 years of work for this activity alone.

For Scenario 1, the overall duration of R&R restoration and construction work would extend by between 7 to 12 years and for Scenario 2 by between 23 and 29 years. Programme costs increase by approximately 40% in Scenario 1 and approximately 60% in Scenario 2 (excluding inflation and VAT).

The essential and highly desirable functions can generally be provided in each Scenario, but with some exceptions: i) access via the underpass from Portcullis House is not possible in the second phase of Scenario 1, ii) public access and access to Speaker's Residence and State Rooms is withdrawn for three and six years respectively in Scenario 2.

Delivering works around a Continued Presence substantially heightens the overall risk profile for both R&R and Parliament when compared to a full decant. In particular the pre-existing level of fire risk in the Commons Chamber is not reduced until completion and so would not be 'as low as reasonably practicable' and would be sustained for decades. The surrounding construction activity and temporary services also compounds the level of fire risk. Therefore, it can't be concluded that Continued Presence is viable until the House of Commons resolves how it will operate and mitigate these risks, particularly at peak occupancy. There may be possible control measures such as increasing egress capacity or limiting numbers of people in the chamber (based on assessment of needs of users) but the Houses should review the plans to verify whether these sufficiently mitigate the fire risk. Accountability for determining the appropriate measures must rest with the Houses. R&R would then be in a position to assess if the R&R restoration and construction work could be delivered to acceptable safety standards and meet relevant legislation. Works to address these risks may introduce the need for an early phase decant period which hasn't been modelled in this study.

Delivering R&R around an operational House of Commons will introduce a level of disruption and nuisance that will be experienced for decades. The Houses will need to satisfy themselves that members and employees are prepared to continue to operate in such an environment. If Parliamentary staff and members decide the impacts are not tolerable this could result in stopping the Continued Presence approach, with no location for an alternative Chamber available. This would result in a wholesale revision to the delivery strategy, major programme delays and consequential costs.

Executive Summary

The R&R Strategic Review, published in March 2021, considered what had changed since the publication of the Independent Options Appraisal (IOA) in 2014 and whether that was significant enough to warrant a change in strategy. The Strategic Review continued to recommend a full decant from the Palace of Westminster. Following the Strategic Review, the House of Commons Commission proposals for a Continued Presence (CP) of “Essential” and “Highly Desirable” functions of the House of Commons in the Palace during the R&R programme of works was discussed with the Sponsor Body. The Sponsor Body agreed to conduct a study of Continued Presence to report back to the Commission in 2022. The decision on Continued Presence will inform the detailed technical and costed proposals being developed for the Programme Business Case.

This study undertook a conceptual assessment of retaining a Continued Presence when compared to the Essential Scheme, which assumes the Palace is fully vacated for the main R&R works. It assesses a range of impacts of meeting the Essential and Highly Desirable function requirements considering technical, programme delivery, cost, schedule and risk to provide a holistic context for the decision.

The study demonstrates Continued Presence would result in significant prolongation before existing conditions are improved, at much higher cost and would create additional significant risks (particularly fire, health and safety and asbestos) and disruption. It would achieve the same outcomes of the Essential Scheme, but much later. However, Continued Presence could only be delivered if the following key challenges are resolved:

- **The existing fire risk**, particularly in Commons Chamber, should be made as low as reasonably practicable before starting restoration and construction works. Overall fire risk is also increased by the adjacent construction work. It is recommended that the Houses review and advise their proposed control measures to verify whether a Continued Presence approach is viable in relation to this inherent fire risk. The Houses position would also need review by R&R before confirming restoration and construction work could be delivered to acceptable fire safety standards and meet relevant legislation.

- The study has not found a **secure means of access from Portcullis House** into the Palace during a period of Scenario 1. Further study would be needed to verify if a solution can be found, or whether there are acceptable mitigations.
- There are **significant constraints on security resources, additional costs and risk** with Continued Presence . Parliamentary Security Department (PSD) advise extra security is required to guard the Continued Presence boundary [REDACTED]
[REDACTED] is advised to access the extra resource and the increased total cost of security will be amplified significantly by the prolonged duration of Continued Presence . The presence of a large construction workforce adjacent to ongoing Parliamentary business heightens overall security risk. Further discussion is needed with PSD to verify if these security risks can be mitigated to acceptable levels.

In parallel, a summary of impacts has been made by the Commons engagement groups and these align with the findings of this study as well as the key challenges identified above.

Study Scope & Design

Following an initial request by the Commons Commission and further engagement with two Parliamentary focus groups, this study assesses the impacts of retaining a Continued Presence of the House of Commons business, including ‘Essential’ and ‘Highly Desirable’ functions, when compared with the full decant basis of the Essential Scheme. The two scenarios modelled are:

- **Scenario 1.** House of Commons (HoC) Chamber business remains within the HoC Chamber and associated functions until a point is reached whereby all operations are transferred to another space within the Palace of Westminster, to allow the rest of the work to proceed.
- **Scenario 2.** House of Commons (HoC) Chamber business and associated functions remains within the HoC Chamber throughout the entirety of the R&R works and there is no transfer. In this scenario an extended recess period (mid-July to mid Oct) would be used and there would be no recall to the historic HoC Chamber during that period.

Works would be phased to enable construction across all areas of the Palace whilst maintaining ongoing Commons’ business. This results in more work needing to be completed delaying the start of the main restoration and construction work; splitting the whole programme into two – undertaking each part sequentially rather than in parallel, as well as introducing an additional middle phase to transfer Chamber operations; and lower productivity of construction and restoration within a more constrained working environment.

In each scenario, there will be a period of preparatory advanced works followed by two phases for the main restoration and construction activity as illustrated in the phasing overview diagrams in section 9.1, and described by:

- Phase 1 is common to both scenarios, which is when the southern part of the Palace is worked on first.
- For Scenario 1 Phase 2, there is then a transfer to the northern Palace areas with the Commons relocated to the Lords in the south, thus allowing the northern part of the Palace to be worked on.
- For Scenario 2 Phase 2, the restoration and construction work is undertaken around and in the House of Commons Chamber using non-sitting times for the works. Also, access routes are adjusted, New Palace Yard is released for restoration and construction and the Commons becomes a distinct island surrounded by construction areas. Due to the constrained working windows and the necessary sequential process, it results in almost 30 years of work for this activity alone

Discussions on the Continued Presence approach with Parliamentary engagement groups confirmed the essential and highly desirable functions should be accommodated wherever possible noting that the highly desirable functions could be challenged. The study has determined that to safely carry out the restoration and construction works, a consolidated Chamber operational area can be provided using the structural block in which the Chamber is currently located. This approach allows continuation of the essential functions. All highly desirable functions can be met in both scenarios except for Scenario 2 where public access (for three years) and Speaker's Residence (six years) is not able to be provided. However, Speaker's Residence could possibly be provided elsewhere in the Palace during the second phase of Scenario 1, but it would be for the House to confirm if this was required. If general public access, Speaker's residence and other 'highly desirable' functions were not provided this would allow more opportunity to undertake restoration and construction work in parallel with other areas. It would also reduce programme risk since the risk of noise and disruption from night time working becoming intolerable to residents is likely. This has not been modelled.

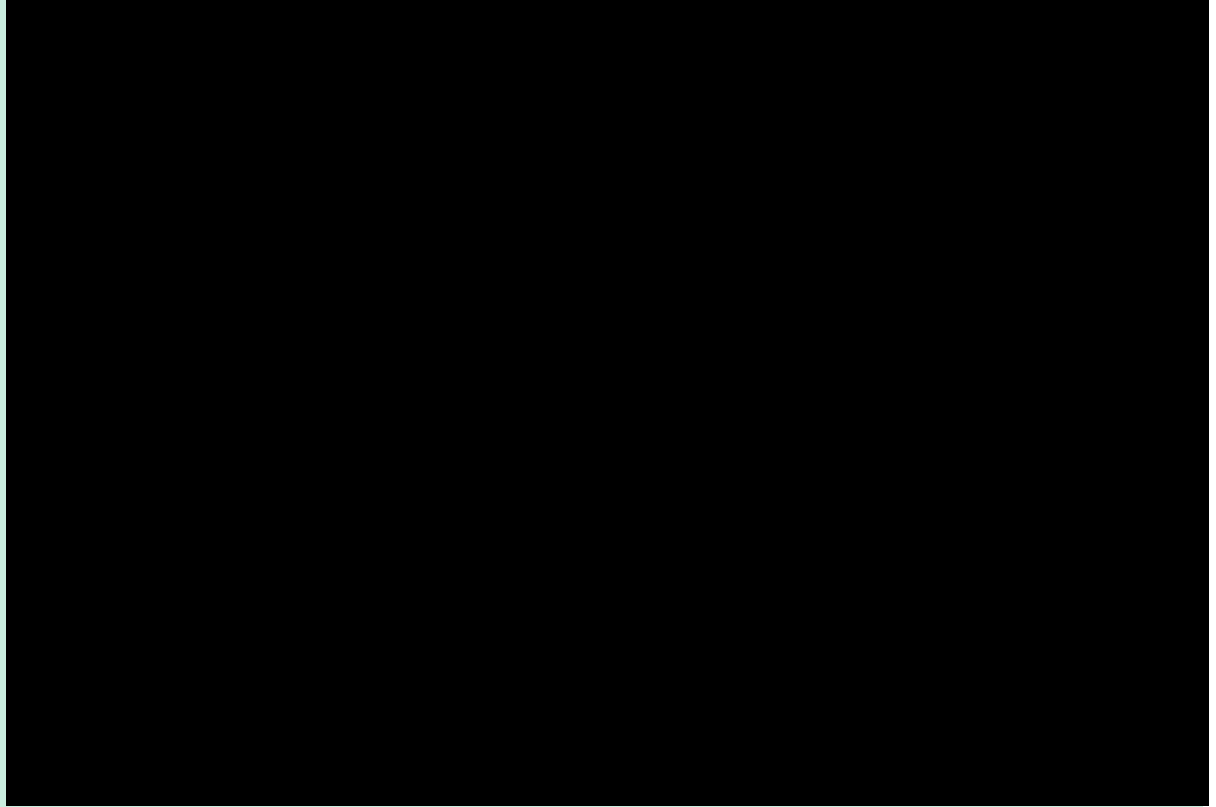
The design available at the time of the study is at an early stage of maturity as it progresses through the concept design stage (2) of the RIBA Plan of Works. Hence, the modelling in this study is based on the R&R essential 'do minimum' scheme and is an order of magnitude assessment. In parallel with this study, design is progressing to the next stage (RIBA 2B), with some relatively significant design advancements to key areas of the development of the scheme – commonly referred to as the 'Essential Scheme' - such as locations for mechanical and electrical equipment. However, at this time these developments are not considered to materially impact this assessment.

The study has demonstrated that there are significant benefits to utilising the structural block in which the Chamber is located as the core operational area in which the essential and many highly desirable functions are housed. Initial analysis suggests that the essential and highly desirable functions can be maintained for long periods for CP by moving the majority of the functions to a more compact area (around 22% smaller than those function use today) around the Commons Chamber (see section 4 for more detail). Ultimately it will be for the House to decide how to allocate the available space.

Enabling & Construction for Continued Presence

Temporary services. For the R&R main works to start in earnest necessitates the full decommissioning ('switching-off') of the Palace systems so that they can be segmented and removed (including the encapsulated asbestos). Both Continued Presence scenarios require extensive temporary plant provision [REDACTED] within significant temporary structures (amounting to four to five storeys high) prior to the decommissioning activities, [REDACTED] This extra equipment would provide a full set of temporary building services to electrically feed and ventilate the Chamber and associated offices. The additional temporary building services covers: power generation and distribution, water provision (including fire-fighting), foul drainage, surface water drainage, low voltage systems (telephony, fire detection and alarms), ventilation, heating and cooling. These services also need to include the required level of resilience, via back-up generators and secondary cable routing, so that the Chamber can continue operating in the event of a primary services failure. This new network of services is required to be routed externally to the Chamber at an elevated level to allow access through the courtyards beneath. This requires a significant support structure around the Chamber.

Installation of these temporary services will be undertaken during the preparatory advanced works period during non-sitting days and recess to enable ongoing Parliamentary business.



Construction sequencing. To ensure safe ongoing operations of the essential and highly desirable functions is possible with Continued Presence , a range of works would need to be brought forward and re-sequenced to avoid clashes between basement works and the temporary platforms, and to ensure fire and emergency escape routes are always available. These accelerated works could only be progressed during non-sitting days and recesses and so add significant time to the overall schedule (approximately 3-4 years) and include:

- The earlier construction of two permanent works shafts, one in New Palace Yard and the other in Speaker’s Court; these create routing and space provision as part of an underground (tunnelled) building plant and services ‘ring main’.
- Commons Court basement will be deepened for new additional plant space.



The time taken to implement the temporary services and construction sequencing works will effectively delay the start of main restoration and construction works by 3 to 4 years.

Once the new temporary services have been installed and commissioned, and the existing building services have been turned-off a sequence of works is planned to define the switch between operational and construction areas. This sequence is illustrated in the phasing overview diagrams in section 9.1. An overview is provided here. Phase 1 works in the southern part of the Palace would commence first. The CP area in the north blocks access from the New Palace Yard so construction progress will be slower than with full decant. In Scenario 1, once southern works are complete, there is then approximately a 1-2 year transition period to move the Commons to the Lords including preparation of the Lords Chamber, heritage collections moves, reoccupation and enabling works for the northern part of the Palace. Phase 2 begins after this transition, again with reduced efficiency due to the loss of access, this time from the south.

However, in the second phase of Scenario 2, access routes are adjusted, 'New Palace Yard' is becomes part of the programme controlled area and the Commons becomes a distinct island surrounded by construction areas. Works in the Chamber in Scenario 2 will take a small area of seating out of use for around 3 years at a time; this will be done in a total of 10 sections. In addition, a temporary decking structure will be hung from the ceiling to facilitate works at higher levels in the Chamber and this will remain in-situ until all Chamber works are complete. Works in the Commons Chamber for Scenario 2 will be active during both phases and due to the constrained working windows and the necessary sequential process, results in almost 30 years of work for the Chamber restoration and construction alone.

In Scenario 2, through phase 1 and 2, work on the Commons Chamber will require housekeeping and security checks at the end of each construction period (during non-sitting and recess) thus reducing the working windows each shift. Overall, in both scenarios, the work would be undertaken in a more piecemeal fashion, noting the constraints and issues described in the sections below.

Schedule

The study shows that there would be a significant extension to the Programme duration in both scenarios due to revised sequence, loss of efficiency, restricted access periods and working arrangements. For Scenario 1, the schedule of restoration and construction works is estimated to be extended by 7 to 12 years and Scenario 2 by 23 to 29 years. This significantly changes the risk profile and creates greater complexity in managing interfaces between a major construction area and ongoing Parliamentary business.

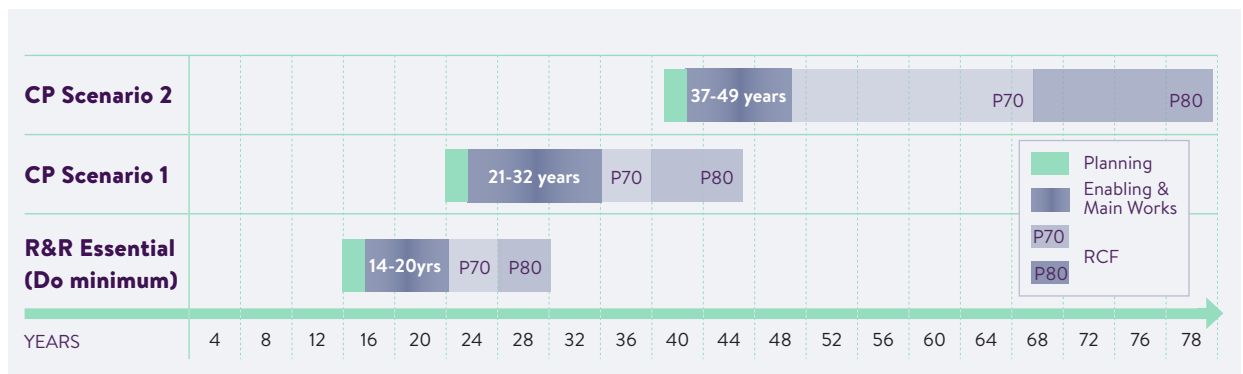


Figure ii. Comparison of schedule ranges (shifts applied)

Cost

The cost of the Programme is estimated to significantly increase due to the additional works and services required for the construction, the loss in productivity resulting from the constrained site and access arrangements, and the extended time needed to undertake and complete the works. When compared to the Provisional Programme Estimate for the Essential Scheme, the equivalent for each scenario at P70¹ (including the additional Palace construction costs) is estimated to increase as follows:

- Scenario 1. An **increase of 40%**, including inflation and VAT produces a further increase of 150%
- Scenario 2. An **increase of 60%**, including inflation and VAT produces a further increase of 180%.

An appendix to this report summarising the Programme cost impacts from CP will be provided separately once all elements of the provisional programme cost estimate are finalised.

¹ Whilst the base estimate (lower bound) is provided exclusive of any provisions for contingency, the Upper Bound allows for a “P70” contingency provision; allowing for a 70% confidence level in countering any risks or scope gaps which may arise over-and-above the base estimate. Similarly P80 represents an Outer Bound 80% level of confidence.

Subject to further assessment, applying further shift working patterns to some activities could reduce Scenario 1 base estimate by around 6% and Scenario 2 by 2%. Current estimates do not include the knock-on costs borne by Parliament for scope outside the R&R programme such as QEII lease, archives and security; nor any savings generated from not constructing a decant Chamber – these are being assessed separately by the Sponsor Body.

Statutory Duties

To deliver R&R with CP a complex suite of agreements and protocols are required to ensure ownership and locus of control across interfaces to comply with legislation. Amendments would be required to the Parliamentary Relationship Agreement (between the Corporate Officers and the Sponsor Body) and/or the Parliamentary Buildings (Restoration and Renewal) Act 2019 (“R&R Act”). Further discussions with Speaker’s Counsel are recommended to consider this further and other changes to health and safety legislation identified below.

Statutory Duties - Health and Safety. During CP works, the Palace of Westminster will be a “mixed site”: both an operational work site and a construction site. As such it will be subject to the provisions of the Occupiers’ Liability Act, Health and Safety at Work Act, 1974 (HASWA) and Construction (Design and Management) Regulations. Under this legislation, criminal sanctions may arise against the person with a ‘degree of control’. The risk, therefore, is that responsibility for health and safety falls between the operations and the works and between the Principal Contractor, Delivery Authority and the Parliamentary teams. Relevant legal obligations and responsibilities under applicable health and safety legislation will need to be carefully managed and clearly identified, understood and allocated between the DA, the Principal Contractor and the Corporate Officers. It is recommended that Principal Contractor is engaged with a specific brief to manage Health and Safety under all legislation and with a remit to manage health and safety of the interface with the operational site. Given the disaggregated nature of the potential works packages, it seems appropriate that this is a discrete and long-term appointment sitting over all packages. Clear lines of responsibility should be drawn up and recorded as well as a decision and instruction tree to determine who has “last call” over matters of risk to health and safety. It should also be noted that Parliament is not subject to prosecution under certain legislation, including HASWA, although Parliament has long committed to comply as if it does. The DA and any Principal Contractor is strictly subject to the requirements of HASWA and its criminal sanctions whereas, technically, the Corporate Officers are not. It is recommended that this imbalance will need to be addressed in the context of a mixed site where CP co-exists with a construction site. This would require detailed and extensive legal discussion with the Corporate Officers, and specialist legal advice.

Statutory duties – Fire. For fire legislation, the Regulatory Reform (Fire Safety) Order 2005 confers responsibility for fire safety on a “responsible person”, who has obligations including the duty to take “general fire precautions”. In a CP scenario it is considered that Article 49(3)(a) would apply such that Corporate Officers remain the responsible persons throughout the term of the works and the Programme would have to comply with the Houses’ procedures. There is nothing in the Order that caters for a mixed scenario. Both parties would need to comply with the Order and indeed the new Fire Safety Bill when it comes into force. This would mean that the House procedures for fire prevention and control would need to be enhanced to cover the whole of the R&R Programme. Further discussions with Speaker’s Counsel are recommended to consider this further.

Handover and Control. The specific handover of worksites between the Corporate Officers and the Programme will need to be carefully managed and all details recorded including agreed “give/get” dates. The ‘handing over’ of areas to and from operations and construction is recognised as a challenging area within the management of major projects. The activity requires a great deal of documentation, resource and time to enable the receiving party to be sufficiently satisfied that it can discharge its legal and operational duties for the area in question. With CP the quantity of hand-overs significantly increases and has therefore added time and risk into the programme schedule. This additional activity will require a mature and efficient set of processes, similar to national railway or metro standards, that are embedded within experienced teams in both the operator/maintainer and construction delivery.

Health & Safety Mitigations

Segregation. Progressing a major infrastructure construction scheme alongside ongoing Parliamentary business will introduce heightened health, safety and welfare risks to both construction and non-construction personnel and therefore increases exposure to the risk of a major accident. Without additional controls in place, it is highly likely that the array of construction activities required for R&R, including masonry works at height, deep level basement excavation, asbestos removal, electrical decommissioning and strip out, lifting of materials using tower cranes, construction plant and vehicle movements) would pose an extreme hazard to Parliamentary users or members of the public. Indeed, many of these construction activities would require exclusion zones for all but the specifically trained construction personnel. Mitigating these issues relies primarily on the ability to create semi-fixed and robust segregation between the Parliamentary operational area and the construction area. The segregation would be implemented through the creation of an exclusion / buffer zone formed by rigid hoardings.

Opting to deliver R&R with CP removes a principal opportunity to eliminate the health, safety and welfare risks of construction work near Parliamentary representatives and the public. It is possible that health, safety and welfare risks with this approach increase to an unmanageable level which may be discovered only after further detailed design and construction planning.

Fire. The application of fire prevention and control measures is a critical extra set of activities for CP that adds significant time into the overall schedule. The large array of temporary services required to maintain the CP area will increase the fire risk during construction. New fire zones would need to be implemented early in the Programme in combination with three separate evacuation routes (all catering for mobility impaired persons) that are designed not to conflict with the construction areas and construction delivery and access routes. These evacuation exits would be re-routed at major transitions of the works. These additional works have a significant effect on construction productivity and the durations.

However, the sequence of works to maintain CP in both scenarios sustains the pre-existing fire risk for the Commons Chamber for decades longer than would be the case with full decant where the risk to Members and general public is eliminated. The developing RIBA design indicates that current mitigations may not be sufficient to achieve the desired risk reductions against fire in the Chamber in all cases, and this study identifies that delivering CP would not be ‘as low as reasonably practicable’ under current conditions. Whilst R&R have identified there may be control measures to reduce fire risk during CP (such as limiting numbers in the Chamber, restricting public access and creation of additional egress routes during enabling works), it is for the Houses to review and advise their proposed control measures to verify whether a CP approach is viable in relation to this inherent fire risk. The Houses position would also need review by R&R before confirming restoration and construction work could be delivered to acceptable safety standards and meet relevant legislation. Works to address these risks may introduce the need for an early phase decant period which hasn’t been modelled in this study.

Asbestos. A major activity for R&R is removal of significant amounts of embedded asbestos, with the greatest above ground concentration being in the House of Commons Chamber itself. Best practise controls will be applied to minimise disturbing asbestos, but significant extra time and resource is required to manage the control of asbestos containing materials and mitigate, as far as reasonably possible, the presence of asbestos dust within the CP area of the Palace.

Disruption and nuisance. The study assumes construction methods will be selected using the industry standard of ‘Best Practicable Means’ to ensure noise, vibration and environmental impacts will be minimised as far as reasonably possible and are deliverable within normal consenting requirements. The physical separation provided by the segregated zones provides a means of reducing these impacts, together with conducting certain activities during non-business hours. However, it is certain that residual noise, vibration, odours and dust would be experienced by users in the CP area, including

the Chamber, and that this would be significantly above current levels and for long durations. This study assumes that the residual level of construction impacts during CP will not disrupt the construction schedule (through unplanned requests to cease works) and thus do not further reduce productivity. [REDACTED]

Having explored lessons learned from other refurbishment projects, it is known that users of operational areas adjacent to a construction site with asbestos removal activity have a very low tolerance of dust. It has been found that users are much more likely to perceive that 'normal' construction dust may contain asbestos fibres. This has been experienced as a significantly disruptive factor to both operational business and the construction schedule. Day to day travel between Parliamentary estates will be disrupted to route around the CP zones and may have a negative effect on operational and business efficiency of the House as well.

Other Impacts

Security. The segregation of a construction zone during CP introduces a new boundary, in addition to the estate boundary, which would need securing. This is required to mitigate the risk of unauthorised access from the construction area into the CP area. Parliamentary Security Department have indicated it would wish to deploy guarding to a similar standard along this additional boundary in addition to that provided around the estate boundary today, this would have a commensurate increase to the cost of resourcing security. for the period of CP). In addition, Parliamentary Security Department also advise [REDACTED] which is a significant risk on timescales. If sufficient security resource cannot be found the Houses would need to assess whether CP can be delivered securely.

In an emergency scenario, certain security procedures will be implemented (not described here due to classification restrictions). These would be particularly challenging to implement in the CP arrangements, and indeed, for Phase 2 of Scenario 1, no working arrangements have yet been identified that co-ordinates construction work with these procedures.

Equality and Inclusion. In addition to having to working next to a construction site with lower levels of natural daylight and natural ventilation than at present for significant periods, some staff and Members are likely to travel between different areas of the Estate on a regular basis, to conduct their business or to access specific welfare facility such as creche or prayer rooms. It is not possible to predict the number of staff and Members who may experience this potential impact; however, it is foreseeable that age, disability (visible and invisible), pregnancy and maternity characteristics are likely

to experience negative effects during the works with CP. The movements around the estate need to be considered holistically when considering impacts on people. This study has not included any consultation on the impacts and modified facilities; if the scheme were adopted, this would be evaluated as part of the business case to inform the decision by the Houses.

Environment and amenity. Extending the duration of the whole R&R Programme will increase the impacts on local environment and neighbours. The length of prolongation will significantly increase exposure to environmental impacts as well as increasing embedded carbon related to construction. There will also be at least a doubling of the period of loss of access to the amenity of the Houses of Parliament and the estate.

It is acknowledged that Parliamentary users and the public continuing to access the House of Commons and associated functions will experience disruption above that currently experienced; the feel of the working environment will also be very different from gate to office or Chamber. The level of disruption will change over time as the work progresses through various phases and will be a long-term adjustment before a return to normal.

Benefits realisation. In either scenario, the permanent scope and outputs will be the same as the base case, whereas the sequencing of work will differ to accommodate the temporary provisions for segregation from the construction works and for continuing supply of services to run House of Commons business. However, there would be significant delay to release of the intended benefits.

House of Lords decant. The House of Lords period of decant will be significantly prolonged in parallel with R&R works and it will be decades before the buildings and estate is completed to its final state. This will vary between the scenarios but there are opportunities to explore reoccupation earlier once works in this area is complete while other areas of the estate are being finished (around 19 years in Scenario 1 and 15 years in Scenario 2); these opportunities would need review with the House. Neighbours will be exposed to the impacts of the decant facility for much longer and security provision will also extend. Due to this prolongation, the current delivery strategy for the decant facility will need reassessment including design, stakeholder engagement, consents, compensation and security.

Commercial and procurement. The prolongation of R&R works due to CP has been considered in relation to the contracting approach envisaged. Due to the complexity and sensitivity of works to the historic buildings and close relationship with Parliament, it is anticipated that R&R will partner with various delivery entities to share risk. CP does not necessarily alter the high level risk transfer strategy and strong client management approach, with some adjustments to contract terms to reflect increased complexity. However, the prolongation and mixed site heightens the commercial risk that R&R bears with works extending over such long periods.

There is much greater risk of cost escalation from contract change, delay caused by matters outside a contractor's control or disputes. The construction management approach may need to change over time with more distinct phases between works outside the CP zone and those within. There is also likely to be a higher level of assurance required for works within the CP zone and so overall management and assurance costs will be greater.

For CP, insurances will need to be co-ordinated to ensure no gaps in cover or double insurance leading to a myriad of complex claims. This will inevitably mean insurers resist claims and are incentivised to try and fix risk on another party/ contract. It is likely that contractors premiums will be higher than for base case which will increase construction costs.

Risk

The increase in complexity, cost, schedule and risk of undertaking such substantial restoration works within and around the Palace of Westminster with a CP in place is significant. Whilst management action and arrangements could be developed and implemented to mitigate risks to a certain extent, the residual level of risk is considered extremely high. These residual risks for delivery of R&R include:

- **Fire.** A fire (particularly in Commons Chamber) or other failure of existing life safety systems occurs resulting in the injury to persons and/or significant damage to building fabric before the existing services can be made safe;
- **Accident.** The risk of a severe accident resulting in damage to the building and harm to R&R workforce as well as Parliament users
- **Stop Work.** Parliament users decide the impacts are not tolerable leading to aborting the approach, with nowhere to relocate the House of Commons available, wholesale revision to the delivery strategy, major delays and consequential costs;
- **Breach.** A breach of legislation or criminal act occurs through unclear management of interfaces between Parliament and R&R;
- **Consent.** Inability to obtain consent for the scheme with extensive works over such a long period due to significant impacts to neighbours and prolonged loss of heritage value.

In addition, a number of risks also arise for Parliament which otherwise would not occur with full decant and would need to be assessed by the Houses. These include: increased potential for exposure to airborne asbestos, increased security vulnerability, higher levels of disruption from construction impacts, industrial relations issues, construction over-runs preventing recall, insufficient alternative accommodation for other Commons functions not provided by CP.

Parliamentary procedure

Due to the 'island' nature of the potential CP footprint, and reduced access for non-essential staff, some procedural and standing order changes may be deemed necessary to facilitate the smooth running of House business and protect Members' safety. A possible example raised in the engagement workshops with parliamentary officials was the procedure for divisions – to avoid the need for hundreds of Members to cross a building site repeatedly in order to vote. Changes to procedure would be for the House to decide, and any practical measures required to implement them outside the Palace would be for the House service to deliver. It is also likely that teams supporting parliamentary business in the Chamber will need to adapt their ways of working to account for staff travelling from other areas of the Estate or reduced office space in close proximity to the Chamber. Both scenarios will result in an increased distance and time to transit between Parliamentary buildings, which may require changes to the way in which Members and House staff work.

No provision is made in Scenario 2 for recall to the Chamber during the recess periods when works are taking place. Therefore the requirement for ceremonial and other short notice recalls would need to be considered as part of work beyond the scope of the R&R Programme considering House of Commons facilities outside of the Palace.

Assurance

The outputs of this study have undergone a series of assurance reviews on the technical and delivery approach, and cost, schedule, risk estimating as part of first and second lines of defence. In addition, an independent review was undertaken by a group of senior experts from Jacobs on the cost, schedule, risk and delivery approach drawing on relevant lessons from other major programmes. Findings from the assurance reviews have been adopted within this study.

**Annex 2: Decisions of the House of
Commons Commission, 1 February 2022**

HOUSE OF COMMONS COMMISSION / MEC

**Tuesday 1 February 2022 at 6.00 pm
Meeting in the Speaker's Study**

Present:

The Speaker, in the Chair
Nickie Aiken
Nick Brown
Thangam Debbonaire
Jacob Rees-Mogg
Sir Charles Walker
Dr John Benger (Clerk of the House)
Marianne Cwynarski (Director General (Operations))
Mr Shrinivas Honap (External member)
Louise Wilson (External member)

Apologies:

Pete Wishart

DECISIONS

COMMISSION

1. Restoration and Renewal – consideration of governance and approach
Taking account of its discussion on 24 January 2022, which expressed concern about the cost and schedule presented in the initial assessment from the Sponsor Body, the Commission agreed it should propose the following changes to the governance and approach of the programme to the House:
 - a) that the sponsor function should transfer to a new, separate department serving both Houses, with its head formally accountable to the Clerk of the House or the Clerks of both Houses and ultimately to the Commissions. The Delivery Authority should continue with the new department as its client. The budget for the sponsor function and Delivery Authority would remain separate from the budget for the House administration.
 - b) that the new department should be overseen by the House Commissions in the short term to oversee the initial changes. A joint committee of both Houses, supported by external expertise, should then be appointed to oversee the work in the long run, with powers delegated from the Commissions. Expenditure should be subject to an annual external review reporting to the Parliamentary Works Estimates Commission.
 - c) that the Delivery Authority and the new department should be asked to continue to undertake investigatory work and develop proposals for the Parliamentary buildings works to be laid before the two Houses, as required by the Parliamentary Works (Restoration and Renewal) Act 2019, that enable a more rapid prioritisation of critical work on the Palace and reduce the need for a complete or nearly-complete decant of the Palace.

The Commission noted the risks in changing the governance structure and a new approach to the works and agreed to seek independent assurance of the viability in principle of these proposals.

The Commission noted the importance of coordination with the House of Lords and agreed to engage with the House of Lords Commission and Members as a matter of urgency, to seek their comments and views on the changes proposed.

The Commission discussed the wider communications and engagement strategy. It acknowledged that this was a difficult discussion that would impact on the staff and teams involved in the process and recorded the important work undertaken to date by the Sponsor Body and Delivery Authority. The Commission agreed to ask the Sponsor Body to publish the Initial Assessment of Cost and Schedule, and of Continued Presence, to inform consideration by both Houses.

COMMISSION/MEC

2. Papers to note

The Commission took note of the following papers:

- Deliberations from the meeting held on 24 January 2022.**

3. Any other business

4. Date of next meeting

The next meeting of the Commission/MEC will take place on Monday 28 February 2022 at 10.00 am in the Speaker's Study.

HOUSE OF LORDS COMMISSION

Minutes

Tuesday 8 February 2022, 11.30am

Attendance

- Lord Speaker (Chair)
- Lord Gardiner of Kimble (Deputy Chair)
- Mathew Duncan (external member) – *virtually*
- Baroness Evans of Bowes Park
- Lord German
- Lord Hill of Oareford
- Lord Judge
- Lord Newby
- Baroness Smith of Basildon
- Lord Touhig
- Lord Vaux of Harrowden

Apologies were received from Nora Senior (external member). Simon Burton, Clerk of the Parliaments, and Andy Helliwell, Chief Operating Officer, were in attendance.

Since the previous meeting, on 24 January the Commission had by correspondence considered the paper ‘**COVID-19 Update**’ (C/21-22/66) which arose from the Government’s changes to Covid-19 guidance on 20 January. The Commission had agreed by correspondence that from 24 January Members could bring up to six guests onto the estate, regardless of their purpose, and Committee meetings could take place either physically, virtually or in a hybrid manner, subject to the decision of the committees themselves. The Commission agreed that from 31 January banqueting events, tours and education visits would resume; the River Restaurant bar and the Woolsack bar would re-open, and the Barry Room would remain closed at lunchtime. The guidance on testing and face coverings and room capacity limits would remain in place. Members’ attendances would continue to be recorded in the Prince’s Chamber and Peers’ Lobby until further notice. Working from home guidance for Administration staff was updated to reflect the change to national guidance and Members’ staff would no longer need to work from home if they can, though their working arrangements were for agreement with their respective Members (as their employers). The Commission also agreed to issue a comprehensive communication to members about the new arrangements on 24 January.

I. Minutes of Previous Meetings

The Commission agreed the record of discussion of the meeting on 17 January 2022.

2. Restoration and Renewal: Governance and Next Steps

Andy Helliwell (Chief Operating Officer)
C/21-22/67; HIGHLY RESTRICTED

Also relevant:

House of Commons Commission decisions, 1 February 2022

Andy Helliwell presented his paper, which considered the proposed changes to the governance of the R&R programme by the House of Commons Commission. Significant decisions were required on governance, but these did not directly address the issue of programme delivery. The proposed changes also required, but currently lacked, independent assurance; this was being sought. There was a risk that decisions made in haste could impact their quality. There were considerable communications challenges arising from this matter. The Public Accounts Committee was due to hold a hearing on the programme in March.

The Commission:

- a. noted that the House of Commons Commission was seeking its views on changes to the sponsor function, and the governance of that sponsor function, including the steps that would be required under the Parliamentary Buildings (Restoration and Renewal) Act 2019 to implement any changes.
- b. agreed to replace the Sponsor Body but not until further consideration had taken place and agreement had been reached on what should replace it, based on independent advice and assurance. In the meantime, the Sponsor Body should pare down its activities to focus solely on essential work, under the continued oversight of the Sponsor Board. The Delivery Authority should focus on intrusive surveys and other necessary work to enable progress in the meantime and to inform future decisions on the next steps. The programme required clear strategic direction from both Commissions.
- c. noted the potential timescale that had been set out in the case that both Houses were to agree to proceed with the approach put forward by the House of Commons Commission. The Committee agreed that given the importance of establishing robust governance arrangements, the next steps should proceed as quickly as possible but further consideration and discussion, including between the two Commissions, was required before determining the next steps.
- d. agreed to re-state its commitment to the works to protect the future of the Palace of Westminster but noted that this should be informed by a wider range of options for delivering the work.
- e. agreed to communicate its decisions to Members and externally as soon as possible.

3. Next Meeting

The next meeting was scheduled for 21 February 2022.

Michael Torrance
Interim Secretary to the Commission