



Finance Committee

Minutes

Wednesday 29 January 2020 at 4.15pm in Residence Room 1

Present:

Lord Colgrain
Lord Cope of Berkeley
Earl of Courtown
Lord Cromwell
Lord Cunningham of Felling
Baroness Doocey (Chair)
Baroness Goudie
Lord Kerslake
Lord Stoneham of Droxford

together with the Clerk of the Parliaments.

Fehintola Akinlose (Finance Director), Jonathan Smith (Head of Finance) and Carl Woodall (Facilities Director) were in attendance. Bev Weston (Director of Capital Investments, Strategic Estates) attended for the items on Elizabeth Tower and Westminster Hall; Matthew Hamlyn (SRO, Elizabeth Tower Refurbishment Project), Charlotte Cloughton (Senior Project Leader, Elizabeth Tower Refurbishment Project) and Gordon Phillips (Assistant Director, Strategic Estates) attended for the item on the Elizabeth Tower; and Emily Baldock (Deputy Director of Security (Strategy and Services)), Fay Tennet (Deputy Director of Security (Operations)) and Elaine Thain (Business Management Director, PSD) attended for the PSD update.

Apologies

Apologies were received from Lord Collins of Highbury.

Agreeing the minutes of the last meeting, and matters arising

The minutes of the Committee's October meeting were agreed. It was noted that the minutes should be circulated to the Committee within two weeks of the meeting. The Committee was informed that the new Managing Director of the combined Strategic Estates and In House Services teams had been appointed and was expected to take up the post in March.

Medium Term Financial Plan (F/20-21/1) [HIGHLY RESTRICTED]

The Committee considered an update on the progress of the Medium Term Financial Plan, such a paper would normally have been considered in November and December but had been delayed due to the dissolution.

The recommendation from the Management Board was that the self-imposed remit be suspended for this financial planning round and be reviewed in conjunction with the House of Commons in 2020-21. Since the remit was imposed in 2010 there had been significant changes, for example, in relation to Restoration and Renewal and in the Parliamentary Security Department. There was no expectation that the Lords would necessarily match the exceptions the Commons had made to their remit, but where there were deviations these would be considered.

It was too early to provide costs for the implementation of the Ellenbogen Report. To date the setting up of the Independent Complaints and Grievances Process had been the most expensive element. Once confirmed the costings would be brought back to the Committee.

Once the Restoration and Renewal Sponsor Body and Delivery Authority had statutory status they would set their own Estimate and the R&R costs currently projected would largely fall away.

The History of Parliament Trust had recommended to freeze its current grant for the next three years.

The Committee was informed that the House of Commons Commission had yet to agree its budgets and as such there was the potential that some amendments might be required to the Lords budget. The Committee would be kept informed.

The Committee agreed to the recommendations in the paper and;

- i. noted the current financial planning figures;
- ii. agreed and recommended to the Commission that the current remit is suspended and reviewed in the 2020-21 financial year to inform the next financial planning round;
- iii. noted the key areas of expenditure and pressures on the financial plan;
- iv. agreed and recommended to the Commission that;
 - the grants to BGIPU and BIPA be increased by 1%;
 - the grant to BAPG be inflated by 2% for its core activities (and a one-off addition relating to attending the US National Party Conventions in 2020-21);
 - the grant to CPA UK be increased by 2%;
- v. agreed and recommended to the Commission that the grant to History of Parliament Trust be frozen for three years from 2020-21 and the 70/30 funding arrangement between the Commons and the Lords restored;
- vi. noted the provision for reserves and contingencies;
- vii. agreed the MTFP and agreed that it be submitted to the Commission for its approval at its February meeting.

Westminster Hall Independent Review: Proposed actions and draft Terms of Reference (F/20-21/2) [RESTRICTED]

The Chair introduced the proposals for the review, the object of the exercise is not to apportion blame, but to ensure that lessons learned and are recorded in such a way as to ensure that future projects are fully aware of the many problems and pitfalls experienced by this project.

The Committee asked that the draft Terms of Reference be amended to ensure the reviewer was able to conduct interviews and not be limited to just reading of reports.

It was expected that the review was likely to be undertaken by an individual rather than a company, to be appointed by the Clerk of the Parliaments in consultation with the Chair.

The Committee agreed the proposed actions and draft Terms of Reference.

Update on Elizabeth Tower Refurbishment Project (F/20-21/3) [HIGHLY RESTRICTED]

The project had been proactive in keeping the Committee informed of progress, including risk. [INFORMATION REDACTED]

[INFORMATION REDACTED]

The Committee discussed issues concerning public sector contracting and the particular challenges of working on the Parliamentary Estate.

The project was already sharing its learning with the Restoration and Renewal team, and discussing with the Enterprise Portfolio Management Office (EPMO) how dissemination of lessons learned could be improved. An important focus of the project had been compiling a detailed and reusable asset management record of the building, the materials used and their replacement requirements; supported by photographs of all stages of the work.

The Committee noted the progress on the project. [INFORMATION REDACTED]

Parliamentary Security Department: update paper (F/20-21/4) [HIGHLY RESTRICTED]

The Parliamentary Security Department (PSD) along with the Finance Directors were considering the options for cross charging security costs to individual projects. It was recognised that cost increases were not necessarily always solely attributable to projects.

[INFORMATION REDACTED]

An external consultant was being used to identify options for the structure of the Operations team. The consultant was tasked with working up a structure that would be suitable over the coming years as the team continued to develop and expand.

The Committee took note of the PSD update paper.

Any other business

The Committee took note of the Q2 quarterly progress report from the shadow Sponsor Body and the Q2 Financial monitoring report.

The Committee would next meet on Wednesday 11 March at 4.15pm.

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

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