



Public Accounts Committee

Oral evidence: Restoration and Renewal Recall, HC 1781

Thursday 19 October 2023

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Members present: Dame Meg Hillier (Chair); Sir Geoffrey Clifton-Brown; Mr Jonathan Djanogly; Mr Mark Francois; Ben Lake; and Anne Marie Morris.

Gareth Davies, Comptroller and Auditor General, Lee-Anne Murray, Director, National Audit Office, Adrian Jenner, Director of Parliamentary Relations, National Audit Office, and Marius Gallaher, Alternate Treasury Officer of Accounts, were in attendance.

Questions 1 to 125

Witnesses

I: Tom Goldsmith, Clerk of the House of Commons; Andy Helliwell, Chief Operating Officer, House of Lords; Dr Patsy Richards, Interim Managing Director of the Restoration and Renewal Client Team; and David Goldstone, Chief Executive at the Palace of Westminster Restoration and Renewal Delivery Authority.



Examination of witnesses

Witnesses: Tom Goldsmith, David Goldstone, Andy Helliwell and Dr Patsy Richards.

Chair: Welcome to the Public Accounts Committee on Thursday 19 October 2023. Today we have a recall session about progress being made on the restoration and renewal of the building that we are sitting in: the Houses of Parliament.

In 2017, the House of Commons voted to renew the Palace of Westminster, which is a UNESCO world heritage site and a listed building, but there have been some changes since then to the governance that we have examined before and I will not go into. Before the end of this year, the Restoration and Renewal Client Team, which is now responsible for managing the project in-house, will bring two options to Parliament to vote on. There was a debate in the House of Lords on this subject last night, and the Commons expects to be debating it at some point before the Christmas recess.

We have obviously raised concerns about the cost and management of this major project, which is something we do a lot on the Public Accounts Committee, so it is appropriate that we look at this, even though in this case it is our own home. There have obviously been a number of fires. We have fire wardens patrolling the building 24 hours a day to prevent that, as well as the fire safety mechanisms that were installed to protect life, but if there was a catastrophic event it would not necessarily save the building, so we wanted to look at all this again, especially in the run-up to the vote.

I would like to welcome our witnesses. Tom Goldsmith is the new Clerk of the House of Commons—stepping into this huge role. Welcome to you, Mr Goldsmith. Andy Helliwell is the chief operating officer at the House of Lords and is representing the Clerk of the Parliaments. Welcome to you, Mr Helliwell. Dr Patsy Richards is the interim managing director for the Restoration and Renewal Client Team, and so took on that role when that responsibility came in-house. David Goldstone has been here throughout—the longest connected, I think, to this project. He is the chief executive of the Palace of Westminster Restoration and Renewal Delivery Authority, so he manages the people who will physically do the work. A warm welcome to you all.

Before we go into the session, I want to acknowledge Sir Geoffrey Clifton-Brown's presence. He is the deputy Chair of the Committee and a very valued member of the Committee, but on this occasion he is sitting in to observe, because he also sits on the Programme Board. He is recusing himself from interrogation in this arena, because that would seem like a conflict. Thank you, though, for attending, Sir Geoffrey. I would like to move to Mr Mark Francois MP.



HOUSE OF COMMONS

Mr Francois: Thank you, Dame Meg. Good morning. Mr Goldsmith, congratulations on your new appointment and best of luck.

Tom Goldsmith: Thank you.

Q1 **Mr Francois:** Perhaps we could start with you. The original Palace is Victorian. There wasn't much RAAC around then, but there have been some buildings in the Palace within the RAAC timescale, and obviously we have the wider parliamentary estate. We understand from you in the last few days some RAAC has been identified in the Palace: in what we call T block and in some of the Upper Committee Corridor Rooms. Could you give us a brief update on where we are on that? What are you and your colleagues doing about it, not least to make sure that everyone remains safe?

Tom Goldsmith: Absolutely. Thanks very much. Your analysis is absolutely right. We have been following the guidance given by the Institution of Structural Engineers on this. To paraphrase slightly, that is: look at the age of your buildings; think about whether they are of the age that might have RAAC; if so, do desktop surveys of what you know about the buildings on paper; and then do physical surveys. We are in the middle of doing that at the moment.

We have identified 17 areas across the whole estate that we think might have RAAC, and 13 of those are in the Palace. So far, it has been confirmed in the two areas that you mentioned: T block and what we call the river range—Upper Committee Corridor north and Upper Committee Corridor south. T block does not have any Members' offices in it, as it happens. Upper Committee Corridor north and south do have Members' offices, and we will have to move 10 Members and/or their staff out of offices while we prop up those offices. They are the ones for which, on inspection, we think it would be sensible to take that step as a precautionary measure. That is happening now, and those Members have been informed of that.

There are then 11 other areas in the Palace and four areas on the estate where we still have to find out. Surveys still have to go ahead. We expect to finish the surveys in the Palace by the end of this month. The surveys in the other buildings will take longer—we think, at the moment, the end of December—but we are trying to accelerate that by bringing in some external resource.

Q2 **Mr Francois:** One of the challenges you have is that lots of other buildings are being surveyed for RAAC at the same time across the public estate, and there are only so many qualified surveyors to go round. From what you are saying, by the end of the calendar year, you hope to have a comprehensive picture of where RAAC is and isn't across the entire estate, yes?

Tom Goldsmith: That's spot on.

Mr Francois: For the record, we are obviously concerned about Members' safety, but we are equally or more concerned about the safety of their



HOUSE OF COMMONS

staff. I think Ms Morris has been personally affected by this, because she is in one of the areas, so if you are content, Dame Meg, I will let Anne Marie come in.

Q3 Anne Marie Morris: Thank you, Mr Francois. Mr Goldsmith, clearly it is crucial that you do the survey work that you do, but it is also crucial that you communicate with everybody who is affected and who might perceive that they are affected. As an illustration, we are all in Upper Committee Corridor north; we are aware that there have been investigations in all our offices and the asbestos boards have been removed.

Half the offices are to be decanted, but the others aren't. Those that aren't are scratching their heads and saying, "Hold on a minute. Why are they going and not us?" They do not understand because there has been no communication with them. My concern is for the safety of my staff, but to make them feel safe they must feel that you have actually investigated and that there is a reason why only half the corridor is being decamped, rather than the whole of it. It is a communication issue—ensuring that even those not affected feel that they are being supported and that it has been looked at properly.

Tom Goldsmith: That is an entirely fair point. We sent out some general communications, and then there has been one-to-one contact with Members in the offices affected. I absolutely take your point that there are people who thought they may have been affected and it has turned out that they are not. I will get on to that and ensure we get some comms there to make that clear.

Q4 Mr Francois: That is good on RAAC; perhaps we can move on to asbestos. I am a layman, not a qualified engineer, so could you confirm that if asbestos is left undisturbed, while it may have been in a wall or ceiling for years, it is relatively safe. It is only if you disturb it, and it crumbles and the fibres in the asbestos are exposed to the air, that you then have a significant risk. Is that broadly correct?

Tom Goldsmith: That is right.

Q5 Mr Francois: So you could have it in a building and if you leave it alone you are fairly safe, but if you do major works—as you may have to do under the R&R programme—there is obviously a risk. Am I right that there are different colours of asbestos, and that white is the least risky, brown is more dangerous, and blue is basically highly toxic? Is that about right?

Tom Goldsmith: White or serpentine is the least hazardous, and the other two are more hazardous. Very approximately, we think about a third of the asbestos we have on the estate is white, and two thirds is blue or brown.

Q6 Mr Francois: That leads me on to my next question. How much detailed information have you got about exactly where the asbestos is? What is the kaleidoscope—for want of a better phrase—of different colours? Have you done some deep survey work around the estate to check this, or are you just working off old plans and documents?



HOUSE OF COMMONS

Tom Goldsmith: We work off a number of sources, but we have quite an in-depth survey of asbestos, which records the colour of the asbestos when it is identified, but also quite a lot more information. I know that Sir Geoffrey is not participating in this meeting, but I think he has seen the survey material that we hold. Obviously, as new findings of asbestos are discovered, they go on to that survey. Our picture evolves and builds over time.

Q7 **Mr Francois:** Just to interrupt, how are those new findings discovered?

Tom Goldsmith: Sometimes through proactive surveys, and sometimes we have unexpected finds, which are the sort that we have written to you about. There have been three incidents since the last time the Committee took evidence. We sometimes find asbestos we are not expecting when we are undertaking work. Obviously, in an ideal world, surveys would have identified it in advance, but in practice it is not uncommon, especially for a building of this age, that when work is undertaken asbestos is found.

Q8 **Mr Francois:** On a scale of one to 100—where one is, “We really have very little knowledge at all,” and 100 is, “We have near perfect knowledge of where this stuff is and what colour it is,”—where would you put your knowledge of the asbestos on the estate?

Tom Goldsmith: Can I ask David if he wants to give a view on that, because this has been something that has come up on DA surveys?

Chair: Mr Helliwell, do feel free to contribute if you would like to.

David Goldstone: We have access and share the information that the House authorities have in relation to, for example, the asbestos register that has just been discussed. There are a large number of areas identified in there where asbestos is known to be present. We carry out surveys; we have been doing a programme of surveys intrusively over the last two years. Before those, we assess whether asbestos is likely to be present and identify it, and then we share the information.

Our broad estimate—I wouldn't call it any more than that—extrapolating from the surveys and what we know from the House records, is that when we come into R&R and we are doing the full programme, there will be something like 2,500 different locations in which we will need to address asbestos. That is the working estimate we are using when we are planning what the programme will look like and how the work will be done, but we will have to effectively survey area by area as works are starting because it is in so many locations. It is in the void spaces in ceilings and floors. It is on paint on pipework, and coatings all over where the systems and services are housed. It is very, very prevalent.

In relation to the colours, it is worth having in mind that although there are different levels of hazard, they are all carcinogenic and they are all dangerous. There are differences about the uses and the exposure, but we shouldn't think that there is a good version. It is all very serious and how we treat it is all highly regulated.



HOUSE OF COMMONS

Q9 **Mr Francois:** We understand that. We are not being complacent at all, but the point I was trying to make was that it's a matter of degree, and some asbestos is potentially more dangerous than other asbestos. It is not a uniform material in that sense.

David Goldstone: No, it's not uniform. Dealing with asbestos in locations where it is either known to be or may be present will be a big part of planning the schedule of R&R works.

Q10 **Mr Francois:** Last question: as far as you can be, you are reasonably content that you are across it, right?

David Goldstone: Yes. I think for the stage of the programme we are at, we have enough information from our surveys and from what was shared with the House authorities for us to plan what that is going to mean for R&R.

Q11 **Chair:** Mr Helliwell, there was a debate in the House of Lords yesterday to discuss some of this. Is there anything you want to add about asbestos? You sent us a joint letter about RAAC and Mr Goldsmith has covered that, but is there anything about asbestos at your end of the House?

Andy Helliwell: I think we have covered it. There are no specific issues for the House of Lords.

Chair: We do like a witness who doesn't feel he needs to repeat what other witnesses have said, so thank you. You have already scored high—keep it up.

Tom Goldsmith: Can I say one more thing about asbestos? There have been incidents in the past, which the Committee knows about, that haven't been well handled. We have written to you about three more recent incidents.

I don't want to come across as hopelessly Panglossian here, but the three more recent incidents were all reported within a day, and the lessons from those were shared widely with other people working on the estate. I am not trying to pretend that everything is yet fixed, but I think we are moving in the right direction in terms of the culture of treating these things properly.

Q12 **Mr Francois:** Could I add a quick word of caution? I'll give you the quick version—I promise. A school in my constituency had a large block with RAAC in it, so they decided to knock the block down and rebuild it. They knew that there was asbestos in the building. They hired some specialist contractors to remove the asbestos, and then they did the demolition. They ended up with a pile of rubble that was teeming with asbestos, because there was a lot of asbestos in there that wasn't on the plans and no one knew it existed. I can't say any more because the matter is now potentially a court case, but the point of principle is that sometimes this stuff is there and you don't know. You are prepared for that, right?

Chair: Known unknowns, I suppose.



HOUSE OF COMMONS

David Goldstone: I think the point is surveying before you start work.

Chair: Yes, absolutely. It sounds like there is something going on in Mr Francois' school.

Mr Francois: If you remember, the permanent under-sec at the DFE apologised in front of the Committee.

Tom Goldsmith: Just to follow up on that, you are absolutely right, of course. That is why with any significant works we have licensed asbestos removal companies on site, so that they can deal with it in the proper way if that does happen.

Q13 **Chair:** Picking up on Ms Morris' point about communication, it is not all about us, but I happen to have an office in a similar place to her. In the summer of last year, I came in early one day and walked out of my office at 9 o'clock to find all the carpet up and everything. It turned out that they were looking for asbestos on this floor. I had not had any notification of that, but there were all these warning notices suddenly on the corridor.

It is also worth noting that the corridor was covered in holes literally taped over with Gaffer tape. Sometimes, if we were lucky, it was a bit of metal and Gaffer tape, but no wonder we all sink into holes in the carpet when you see what's underneath it. But on the matter of communication, with all the works going on, I underline Ms Morris' point that people aren't always aware of what is going on around them.

Tom Goldsmith: That is really useful for me to know.

Q14 **Chair:** It was a while ago, so I am hesitant to repeat it now. I want to move on to you, Mr Goldsmith, as you are new in post. When you became a Clerk, I am sure when you started in the House of Commons you thought you would be dealing with procedure, and that would be a lovely job to attain. Of course, now, you are legally responsible for everybody's health and safety in the building—you acknowledge that—as chief operating officer.

Tom Goldsmith: Yes.

Chair: Just to be clear, when work starts on this, while you are now responsible when any maintenance work is going on, when restoration and renewal happens, you will also be responsible for the health and safety of people in the building.

Tom Goldsmith: There will then be something of a shared responsibility with David but, broadly, yes.

Q15 **Chair:** So you represent corporately the House of Commons, and Mr Helliwell, you and your colleagues—

Andy Helliwell: Simon Burton, the Clerk of the Parliaments, does.

Chair: You both represent the people and you are legally responsible. When all these options are being discussed, your predecessor talked



HOUSE OF COMMONS

about the challenge of having an on-site option and talked about Members scurrying through a polytunnel from Richmond House, which was then the proposed place for a potential second Chamber, through to any space in this building. He said it was possible but asked whether it would be safe—he raised those questions.

What questions have you asked yourself and others about how you are going to protect the safety of the people under your purview, or the visitors, the staff of the House, Members' staff—anyone working in the building while work is under way—if there is a continued presence?

Tom Goldsmith: On continued presence specifically, I really share the analysis that my predecessor John Benger had and that Simon has, which is that there are some very significant concerns and risks associated with that approach. However, we know that it is politically attractive to some Members. I understand that there is a good case for really looking into that in more detail to see whether those risks can be properly mitigated. There is no doubt that the risks are there. The question for me is whether we can handle them.

Q16 **Chair:** What risk assessments would have taken place? At the moment, the options that look likely to be on the table are continued presence or full decant, so everyone leaves the building for a period of eight, 10 or 12 years—a period that has yet to be determined, but a decade or so. Let's be loose about it for now. Were the risk assessments presented to you as chief operating officer of the House about both the longlisted options?

Tom Goldsmith: Yes. As part of the Programme Board's work, the DA looked at 36 different options. You get the 36 by looking at six different outcome levels—that is, what the building is going to look like once the work is done—and six different construction scenarios. For each of those options, a range of information was given to the Programme Board, including information about risk assessments.

Q17 **Chair:** When you looked at that, coming new into the job, did it worry you? You talked about it being politically attractive, but you as a professional, as head of the service, you have a professional opinion, presumably, about what you would prefer in your role of being responsible for the health and safety of everyone working in this building. Do you have a preference that will inform what Members eventually decide?

Tom Goldsmith: I can tell you what my preference is at this point without seeing the detailed work. Obviously, I caveat everything by saying that I would really want to see the detailed work, which I hope the Houses will allow the DA to undertake. From the information that I have at the moment, there are three potential outcomes in order of worst to best. The worst is that we do nothing. If we do not undertake a proper R&R of some description the building will not miraculously heal itself.

Q18 **Chair:** Can you be clear, then? Is "do nothing" off the table?

Tom Goldsmith: The work that will come forward—the strategic outline case—will feature the two options you have talked about. It will also



HOUSE OF COMMONS

feature the “do minimum” case, which is just a matter of good practice in business cases for a project of this size. You give an alternative of what the “do minimum” would look like in cost and what it would deliver. “Do minimum” is really enhanced maintenance.

Q19 **Chair:** And that will also include the risks.

Tom Goldsmith: Yes. This is my personal view and, as I say, this is before seeing the detailed work that I hope will come along. The worst case is to do nothing—to duck the issue for more years and have the building deteriorate. It is not miraculously going to get better. Much better than that is doing a form of R&R—a form of really active intervention where we fix the building.

Q20 **Chair:** Let us boil it down, because we are going to get into the detail of the process in a moment, in terms of your professional opinion about staying. This is about your professional responsibilities—that is really what I am trying to say here.

Tom Goldsmith: Absolutely. The worst-case scenario is to do nothing. For me, the next best is an R&R that is about continued presence. That entails at the moment those risks. It will take longer than the complete decant. On any big project, if it takes longer you entail more risk—that is just the nature of things. It will cost more, the health and safety risks are greater, the security risks are probably greater.

One thing that I worry about is if we get halfway or a third of the way through the project, the Houses having said, “That is okay. We know that there will be some disruption; we know that there will be some noise, dust and vibration,” and that becomes intolerable, and we are then scrambling around to look at an alternative rather than having a planned decant.

Q21 **Chair:** So that leaves the full decant option.

Tom Goldsmith: That leaves the full decant option. On the information that we have so far, that takes less time, costs less money and has a lower degree of risk on some of the things I talked about.

Q22 **Chair:** That is something that this Committee has been highlighting—because we look at big projects all the time—for some time. In your professional and personal opinion, which would be your preferred option? A lot of Members of the House will be listening to what you have to say because you are in the hot seat, making the decisions and seeing the detail.

Tom Goldsmith: I am not ducking the question; I am really trying to be straightforward with you. I think that the DA should be allowed to do the detailed work, because—

Q23 **Chair:** Can I ask why you say that a small number of Members want to see a continued presence? It has been politically popular; it is a political position. If you take that politics out of it—because you are not a politician; you are here in a professional office—what is your preferred option to keep your staff safe?



HOUSE OF COMMONS

Tom Goldsmith: As I said, my least favourite option is to do nothing.

Q24 **Chair:** I think—let us hope—that doing nothing is off the table.

Tom Goldsmith: The reason why I think continued presence is worth thinking about is that it could be an option that gets more MPs to back a form of R&R at a reasonably early stage which, for me, is still better than doing nothing. Is it my professional opinion at the moment that that would be better than a full decant? No. My professional opinion at this stage is that a full decant would be better, but I would like the DA to be able to do the work.

Q25 **Chair:** Thank you for being candid; it is helpful. You have a job and we want to hear your professional opinion. The Parliamentary Safety Assurance Board exists to help you both in your roles. Was it asked to provide an assurance to you, as accounting officers, or to Mr Helliwell and the Clerk of the Houses, with respect to the two shortlisted options?

Tom Goldsmith: Not that I am aware of.

Dr Richards: It was not actively involved in the down selection process, as we call it, with the Programme Board. That is largely because the R&R programme has its own governance, so we use the Programme Board and the Client Board.

Q26 **Chair:** Who did the safety assurance on those options?

Dr Richards: We had our own external assurers. We had an expert panel that looked at asbestos and specific areas. It looked at the outcome levels and the delivery options. Two external expert panels were convened to look at those.

Q27 **Chair:** What is the point of having a Parliamentary Safety Assurance Board if it does not get any sight of something as big as this, which is affecting the whole of Parliament?

Tom Goldsmith: We have two different types of governance going on here. For the R&R programme, as Patsy said, assurance is being provided about that. The PSAB is a really important bicameral body that gives me and Simon assurance about all the safety things that we do day to day, which, as you can imagine, are many and varied in this place.

Q28 **Chair:** Did it remind you of your legal responsibilities? Did the Parliamentary Safety Assurance Board give you advice on your legal responsibilities in relation to R&R and if those options had an impact on whether you were able to discharge those legal responsibilities?

Tom Goldsmith: No. As far as I know, the PSAB has not been commenting on these options because, as Patsy said, we have the assurance on that from the work being done by the Delivery Authority, which has a lot of expertise. The PSAB, for example, produces a really good combined safety policy for the two Houses that sets out some of our legal responsibilities and explains the clear responsibilities of the corporate officers and everyone else who plays a part.



HOUSE OF COMMONS

Q29 **Chair:** We have talked a lot about asbestos. Before I move on to colleagues, can you say in simple terms what your biggest worries are about having a continued presence, compared with full decant? Could you both answer that? I will go to Mr Helliwell first to give you a bit of a break, Mr Goldsmith.

Andy Helliwell: The House of Lords interest in the difference between continued presence and full decant really relates to the time that the House and Chamber are likely to spend outside of the Palace. With maintaining some form of continued presence for the House of Commons, the House of Lords Chamber would be out of the Palace for a significantly longer period of time than under the full decant option.

During a period of continued presence, the corporate officer of the House of Lords would not be responsible for health and safety within the Palace. That would be divided between the Delivery Authority and the Clerk of the House of Commons because it will be the Commons that has the continued presence.

Chair: It is all on you, Mr Goldsmith.

Andy Helliwell: Our interests are slightly different in that respect.

Q30 **Chair:** That is a helpful clarification. Mr Goldsmith, what worries you most about continued presence?

Tom Goldsmith: Probably that thing I said to you before: almost the worst case for me is that we go into continued presence and then, having thought that the level of disruption would be tolerable, it turns out not to be.

If the Houses were to decide soon that they want to do decant, that is fine. We would spend a lot of time and effort getting some good decant arrangements in place. If we got a year or two into continued presence and then we found that it was intolerable, we would then be scrabbling around to get that option on the hoof.

Q31 **Chair:** It seems like we are revisiting things, because there was a decision by the previous body that was running this to suggest full decant as the safest, most cost-effective—I won't use the word "cheap"; it will be a very expensive option—and that was thrown away. That was the professional opinion then, but it was overridden because the Act was pulled in the middle of the commission—we did not even know that it was decided that the Act would basically be withdrawn.

It was extraordinary for a democratic institution like the House of Commons. Yet we are back at square one discussing continued presence versus decant, even though in your professional opinion there are a lot of risks that you are worried about for continued presence, which you have just highlighted. Why are we going back to two options if your professional opinion is that the best, safest, most cost-effective option is that we decant?



HOUSE OF COMMONS

Tom Goldsmith: Because ultimately this is a democratic institution in which the Members have to—

Q32 **Chair:** Except that you are legally responsible. Members will come and go. None of us are legally responsible for any of the decisions we make on this, which puts you in an interesting and challenging position.

Tom Goldsmith: It does, and if, when we get to the point of decision making—I don't mean December; I mean on the final decision—there is an option mooted that I am uncomfortable with, I will make that clear.

Q33 **Chair:** How would you make that clear? What is the mechanism you have? Can you stop it?

Tom Goldsmith: I have not yet decided the mechanism because I hope we don't get there, but there would be a way. I could write and put a letter into the Library. I could come before the Committee.

Q34 **Chair:** What does a letter into the Library do, in Clerk terms? We all know that happens; that is what we do as well, but—

Tom Goldsmith: I hope it would get some attention and people might think about it. If you would be kind enough to extend to me an invitation to this Committee, I would come and say so here. I would find ways of making that point clear.

Q35 **Chair:** But ultimately you cannot override a decision by the House of Commons, even if, in your professional opinion, people in the building would be at risk—that is, staff who might have to support a continued presence as well as any Members who may attend.

Tom Goldsmith: Absolutely. Parliament is sovereign, isn't it, so it can take the decision—

Q36 **Chair:** It may be sovereign in the decision, but you are the person representing the corporate entity of the House of Commons—in fact, in this case of continued presence, the whole of Parliament, as the Lords have managed to get themselves off that hook.

Tom Goldsmith: And I would make my views really clear. It is not a particularly comfortable position for a Clerk to be in, because traditionally we are seen and not heard. On this one, I would have to be heard if I had concerns.

Q37 **Chair:** And you would be willing to be heard. Will you be willing to be heard between now and then if you think decisions are being made that are not safe?

Tom Goldsmith: Yes.

Chair: Thank you. We will leave it there because we have lots more to get into, so I will go back to Anne Marie Morris MP.

Q38 **Anne Marie Morris:** Can we now consider what exactly the outcome will look like? The Parliamentary Buildings (Restoration and Renewal) Act 2019 received Royal Assent. We know what happened thereafter, but



HOUSE OF COMMONS

that Act set out what the minimum work, if you like, looked like. We have been talking about “do nothing”, the de minimis—“do the minimal”—right the way through to maximum. I am assuming that “do nothing” would not comply with the Act; would de minimis, and what does de minimis really look like?

Dr Richards: The Act says that the Delivery Authority has to come up with proposals that will provide for the restoration of the Palace. The Act itself does not define “restoration”—there is no definition in there—so we have to use the natural meaning of language in respect of what a reasonable person would think restoration is. Our advice is that a kind of “patch and mend” approach would not fit that. That is why we talk about “enhanced maintenance”—it would have to be something much more than what we are currently doing to deliver restoration. So that is the legal definition.

When we went through the different outcome levels, from zero up to 5, the first evaluation criterion that we used for that was health and safety. That was the primary one, but there were others—indeed, the Programme Board, of which Sir Geoffrey is a member, asked us to go back and look again at the compliance of each of the outcome levels. Did they comply with health and safety legislation and so on, and other likely planning consent and other considerations?

When we did that, that’s one of the reasons why we ended up with the outcome level that we have gone for, which is outcome level 4 of 5, because some of the lower ones did not meet all the regulatory requirements. As you all know, the Palace of Westminster isn’t necessarily bound by all of those requirements, but we seek to match them anyway.

Chair: Just to be clear, because people following this might not realise: because it is a royal palace, it is exempt from all the normal rules of the laws of the land, which is extraordinary—

Tom Goldsmith: Some.

Chair: “Some”—Mr Goldsmith is keen to clarify that. But some of them is quite significant.

Q39 **Anne Marie Morris:** That sounds to me like a legal minefield, because it is inevitably a very—dare I say it—subjective decision about whether or not the level 4 option is going to meet it.

Dr Richards: The level 4 does and that is part of the reason why the Programme Board recommended it. It certainly does—absolutely. With some of those lower levels, you are talking about the difference between “do minimum”, “maintenance” and those kinds of lower outcome levels. That’s why we want to do more work, for another year or so, on the options, because we want to find that out.

In the business case, as somebody has already mentioned, it is usual to have a kind of counterfactual, which is the “do minimum” option. We absolutely have to do the work to pin down what we could do for the “do



HOUSE OF COMMONS

minimum" option. What level would it achieve? It would not achieve that outcome level 4 that we can achieve through doing the other delivery options. That is why we need to do the work. We don't know the answer yet. We need to find something that will deliver sufficiently and to have that in the business case, so that, as with any business case, you can compare "do minimum" with the options you are proposing.

- Q40 **Anne Marie Morris:** At the moment, the "do nothing" option is obvious. With "do minimum", although we have a broad scope, the detail is still being worked out. You are saying that that would not meet the requirements of the Act.

Dr Richards: I am saying that we would have to do more work to be sure. We would have to make sure—can you deliver restoration through this "do minimum"? What would the "do minimum" have to comprise? You are absolutely right that with "do nothing", that is the one loud clear message we've heard about from every Member and every member of staff we have talked to. So "do nothing" is not an option; that is our mantra, really, on the programme.

- Q41 **Anne Marie Morris:** Okay, but my concern is that I can see politicians looking at this—you have put it there in the business case because you have to as the comparison, if you like, to the "do minimum". Then you have the fully worked-up options.

It would be quite important to know whether or not the "do minimum" could in any way creep over the line, because I'm sure that when we start looking at the costs and the disruption there will be some very interesting debate about all this. It seems to me that it is quite crucial that this minimum thing, whatever it is, is not just there because you need it in the business case. You need to be clear whether or not it would actually comply with the legislation, because if it does not, people need not to be misled that it is a viable and acceptable option.

Dr Richards: I couldn't agree more, and that is why we need to do the work on it, because we need each of those options to be equally well worked up. It is not just about cost and time; it is also about the risks and the mitigations and whether it delivers sufficiently. It could be that as we work through this over the next year, it suddenly becomes clear that what we are proposing as a "do minimum" is not enough. That might happen over the next year.

- Q42 **Anne Marie Morris:** Okay. So in summary, you are aiming for level 4; that is the one you are working out. With the other options, you're not putting so much time into them—

Dr Richards: No, no; we need the Delivery Authority and the strategic estates team and the maintenance team here, who run the place, to work together and work up that "enhanced maintenance" option in as much depth as the other two options, so that we can compare—

- Q43 **Anne Marie Morris:** Is "enhanced maintenance" not de minimis? There is "do nothing", there is "do minimum" and then there's "enhanced maintenance". You are still working on the "enhanced", which is below



HOUSE OF COMMONS

outcome 4.

Dr Richards: You can use the same words; it is the same thing. The “do minimum”/“enhanced maintenance” is that counterfactual—

Q44 **Anne Marie Morris:** Okay, but there is nothing in between. It is either enhanced maintenance or de minimis—whatever we call it—or outcome 4.

Dr Richards: Or outcome level 4 through either continued presence or through full decant. Those would be our option.

Q45 **Anne Marie Morris:** And that is still being worked up and should comply with the legislation.

While you have been doing this work, have you looked at the interplay between the physical changes to the building and the impact on the procedures and processes of the House? The reason why I ask is because the two are totally entwined.

For example, if Members are not within eight minutes of the Chamber, we would have to change the procedure in terms of the time allowed to vote. That is just one very obvious example, but there will be many others. To what extent have you looked at and worked through the different processes that go on in both Houses—not just the processes that we as MPs and Lords go through, but also the huge number of people who work in this place and support the whole activity? Mapping all that on to the building is important; is that happening?

Dr Richards: Yes. My colleagues spent an hour and a half with the Procedure Committee yesterday discussing this kind of thing. We have Tom’s colleagues and House of Lords colleagues who are advising the programme, and they are Clerks who have spent their lives doing this—most of us have worked here for tens of years. That work is taking place and that is part of it.

Alongside working up the options, a really important strand has to be deliverability and protecting the business of the House. That is uppermost in our minds, I would say. I think one of Tom’s priorities, alongside health and safety, is making sure that the business of the House can function.

Q46 **Chair:** So how the House managed during covid, Mr Goldsmith.

Tom Goldsmith: Absolutely. Our working assumption is that if we decant, we will continue having a Chamber with a physical Lobby and voting will carry on in pretty much the same way it does now. We can change the timings if we need to. That happens anyway—the Speaker has discretion to change the eight minutes to 10 or 12 if there is a problem with the bells not ringing or something like that. We have not been given a mandate from the House to change the way the House votes, so we are working on the assumption that it will carry on voting in the same way.

Q47 **Anne Marie Morris:** Finally, to what extent is the scheme being future-proofed? By that I mean two things. First, in terms of the structure of the building, one of the challenges we have now is that there is a central system and everything is linked to it; when you try to work on one piece,



HOUSE OF COMMONS

it is very hard to chop it off and isolate it. When you rework this, are you going to future-proof it and have individual blocks, so that when we have to do this again in 100 years' time, it is not the mega-issue that it is now?

Secondly, I absolutely hear that you are not being asked to review the procedure, but have you none the less put to the Procedure Committee that this is an opportunity to future-proof, given how the world has changed? Covid was a good demonstration of that. Are they actually thinking about that? If there are future advantageous changes, they need to be built into the new physical plan.

Tom Goldsmith: I will ask David to answer the first part of your question about future-proofing the way the building works. You raise a really good point about future procedure. As Patsy says, there has already been some engagement with the Procedure Committee.

As we get closer to taking decisions, it is really worth thinking along the lines you are talking about to see whether the House would want to adapt its ways. As the Chair alluded to, we have shown that we can be quite flexible as a House service. I don't think anyone would want to go back to hybrid proceedings unless we really needed to—or most people wouldn't—but it was better than nothing.

David Goldstone: Future-proofing was a big factor in the consideration that the Programme Board made of the different options. It was a big factor in the decisions in the agreement to recommend outcome level 4, which we have talked about.

I think we can safely say that if outcome level 4 is taken forward—if that is agreed to be what the programme will deliver for the Palace and how the Palace will be in future—the intent would be that we would not do a restoration and renewal type programme intervention again. It would in effect enable all the systems and services that are currently common and serve the whole Palace to be repaired, maintained and, when need be, replaced without the level of disruption that it is causing now and will cause when we do R&R. In that way, it will absolutely future-proof the building.

It will also be much safer in terms of fire safety and all the hazards we have talked about already. It will be much more accessible, and it will be more sustainable. Thinking about the long-term future, that was a very big factor for the Programme Board and a big factor in outcome level 4 being chosen. It considered everything that the Act requires us to have regard to and achieve, in a layperson's understanding of what Restoration and Renewal means.

Q48 **Ben Lake:** As we approach R&R properly, I am keen to have a better understanding of the extent of our knowledge about the building's condition, as well as the cost of maintaining the place. Regarding the uncertainties about the Palace's condition, back in 2021, I think, it was suggested that the Delivery Authority would need to undertake over 100 surveys to have a better, firmer idea of the condition of the Palace. Is



HOUSE OF COMMONS

that still the case, Mr Goldstone? If so, how much progress has been made?

David Goldstone: Progress has been very good. Actually, I think we are probably going to expand that programme. We are up at around 100 that are either completed or well under way already. Many of them carry on for an enduring period because they are tracking and monitoring information. We have done 80 to 90 non-intrusive surveys—many of them visual or inspecting areas—but we started our programme of intrusive survey in summer 2022.

We have done extensive work in areas like the ground conditions in the building structure and the strength of the building fabric, and it tells us a lot about what structures we could put where in future, what parts of the building could, for example, take different distributions of the services, where lifts could be installed and those sorts of questions, so it is a really important piece of information.

That is not the whole story. The House authorities have extensive records about the parts that have been built, and where there are good records we absolutely access those. We are also mindful that, under the mandate that the Houses agreed last year, we will be replacing all the outdated systems and services, so there is only limited value in surveying things that are going to be taken out and replaced completely.

We do use extensive other sources of information, and we only do intrusive surveys where we need to do so because there is no other information available, because we are mindful of the impact on the Houses and the pressure for access from maintenance and House projects. That is all going very well. I think we are past 20,000 hours of survey work, if that is a useful metric. We did 8,500 hours or so this summer, so I think our survey activity is going pretty much as we discussed a couple of years ago.

Q49 **Ben Lake:** That is good to hear. Just for my understanding more than anything, how much more work would you want to do before you could be confident that you have the knowledge and information necessary to develop these proposals with confidence that you have identified the costs and the nature of the work?

David Goldstone: We have been identifying specific areas we need to look at that we have not been able to so far. We have been planning for the coming periods, looking at areas where we are going to do more—for example, the drainage systems, levels of vibration, ground movements and that sort of thing. There is work we want to do on the River Terrace, and we will be planning to do surveys looking at how and where. Consent is needed around things like installing a river jetty. We will be looking at some of the underground areas to see what structures could be installed.

In volume, it is probably a similar trend to what we have had for the last couple of years, and we are basically planning to carry that on through the next two years. You may be aware that we started our market engagement for new suppliers, who will take forward the programme,



HOUSE OF COMMONS

earlier this month. Probably once a vote has gone through and the detailed proposals under the Act have been agreed, we will look again with new suppliers at what we need after that. We have a view for the next couple of years, and I think we will reconsider beyond that what more is needed.

I will just add that this will only ever tell us so much. It will tell us about the condition of the areas, but the Palace is so extensive that we have always been mindful that—a bit like with asbestos, for example—discoveries will be made when we start work. As areas get opened up, we will find that things are not necessarily as people thought they were. That is a learning from every heritage project that we visit. You always find that walls that people thought were structural are not, or vice versa, void areas appear where they were not expected, and so on. The discovery will carry on.

Q50 Ben Lake: The “unknown unknowns” if you like. In the course of your intrusive surveys to date, have you come across any issues or problems that have necessitated reactive maintenance works?

David Goldstone: Well, we discussed RAAC earlier, so identifying those areas and dealing with the House authorities on them has already been discussed. I don’t think that we have for additional maintenance work, but we have discovered some unexpected archaeological finds. We are carrying out a number of borehole surveys, which are really about the ground conditions and what is underground. Some go 70-odd metres deep and in I think three of the seven that we planned this year, we have made archaeological finds or come across things of possible archaeological significance, so we have had to pause that work. We actually discovered some of the old river wall where it wasn’t expected to be in one of our surveys last year.

Those are quite important. Internally, it feels like they disrupt our work, because we have to stop at that point for matters to be investigated further, particularly with those archaeological discoveries, but they are important findings in themselves. They tell us and, obviously, the House authorities something that we had not known previously.

Q51 Ben Lake: Very briefly, before I briefly turn to Dr Richards, are these unexpected archaeological finds a cause for concern yet, in terms of the timescales of the project and work, or—

David Goldstone: No. At this stage, they inform our planning of design solutions—what can be put where—and how construction would be delivered and issues that would have to be addressed. Currently, it is just really helpful information to inform design and construction, and it will inform the estimates of cost and time that we put into the detailed proposals that come back for the vote.

Q52 Ben Lake: Thank you. Dr Richards, I will turn to you in closing and ask you a few questions about the cost of the maintenance of the estate at the moment. Back in 2021, you suggested that between 2022 and 2025 the cost of repairs and maintenance would amount to some £300 million.



HOUSE OF COMMONS

We have heard about some developments and expected developments that would probably have necessitated extra expenditure. Are you in a position to tell us how much you believe it will cost to just maintain and keep on top of the condition of the building?

Dr Richards: You mean without R&R? I think the NAO produced figures of about £2 million a week a while ago, but the current figure is £1.45 million a week. The reason that that has come down may be that the figure included not just maintenance but some of the capital projects. That relates just to the Palace of Westminster, not to the other buildings on the estate.

Looking just at the Palace, some of the big programmes that have recently finished have been things such as fire safety improvement works. This figure that we advised of £1.45 million is really dependent on how many of the other capital projects are running at the time in the Palace—the encaustic tiles, and so on—so in a way that figure is not hugely helpful. It is the “do minimum” in a way; it is keeping things going. It is not replacing the systems in the way that the Act requires.

Of course, that cost would have to rise considerably if we were going to start doing more of these major capital programmes without trying to do it through R&R. That is what it is costing at the moment to keep the Palace kind of ticking over, and I think that you can all see the results of that. People have talked about some of the issues with some of the discoverables that we have had recently.

Q53 **Ben Lake:** Just for clarity, then, at the moment, you are happy with this figure of £1.45 million a week?

Dr Richards: I wouldn't say that we were happy with it. That is the figure we have got from our finance systems for what is being spent on reactive and proactive maintenance and on whichever capital projects are happening in the Palace at the time. It would cost considerably more than that to sort out the Palace through maintenance.

Q54 **Ben Lake:** Finally, in terms of the RAAC and asbestos that we have discussed this morning, do we have any estimates yet as to whether addressing that will add a particular amount of expenditure?

Dr Richards: The Delivery Authority are using estimates—their best guess—about the amount of asbestos that they will have to deal with, but we have been going around and talking to other projects and programmes around the world, including other Parliaments, and the big message is that you cannot do enough surveys, especially in a building like this where you do not have modern plans. You have to plan to have discoveries throughout the programme. It does not really matter if we have surveyed that wall and that wall, but we do not know what is behind that wall. That is what we have to plan for, and that is what the Delivery Authority is allowing for.

Q55 **Mr Djanogly:** I am going to start off with a quote from paragraph 28 of the PAC report of May 2023 on restoration and renewal. It reads: “we



HOUSE OF COMMONS

remain unclear that the information provided, including on where the Houses could move to during the works, will be sufficient for Parliament to make a decision on which option to develop into a business case.” For example, will Parliament be told in December how you are going to find new space for the Chamber and offices?

Tom Goldsmith: Not in a huge amount of detail is the straightforward answer to that. It will be told what the preferred assumptions are. For the Lords, it remains probably the QE2 centre. For the Commons, it remains the northern estate: either Richmond House or Portcullis House, but there will not be a great deal more detail in December.

Q56 **Mr Djanogly:** The problem, Mr Goldsmith—you will have seen what went on with the northern estate proposals last time—is that a lot of information has gone out there in the past and, if Members are being asked to debate this in two months’ time and this time they are not going to be given information on what is going to be happening, do you not think that could make it hard for them to come to a decision?

Tom Goldsmith: I absolutely understand the risk. I would not expect any MP or Member of the House of Lords to vote on going live with this programme without being clear about what the decant options were. To be absolutely clear, that detail will come at a later stage, before the Houses are actually asked for go-ahead.

What we are asking for in December is a mandate to do more work on the two preferred options and a “do minimum” option. What we will be asking for at a later stage when we have all that detailed work will be: “Can we now go live on this particular option?” That will include details of the decant arrangements. I do not know if David or Patsy want to come in.

David Goldstone: Only to say that we are working collectively with the House authorities on what options are available for the House of Commons within the existing estate. That is intensive work on the impacts of different options and the structural works that will be required, the security considerations and the impact on the rest of the estate. That work is going on now. We are very confident that, by the time we come back with the costed proposals for the vote, we will have detailed proposals on solutions for both Houses, which will have been at their own business-case level.

Q57 **Mr Djanogly:** Mr Goldstone, are you saying that by the time we have the debate in December, you will have considered the relationship of the decant to the Bill proposals?

David Goldstone: Not for the vote in December. December is intended to get agreement to develop the two options in more detail into the detailed proposals that the Act requires. We will be bringing that back in probably early 2025. There is about another year’s work. At that time, we will have those detailed proposals.

Q58 **Mr Djanogly:** I do appreciate that, but at the same time, you will appreciate that this will be an open debate and MPs will be discussing



HOUSE OF COMMONS

these things, so the knowledge that is there at that time to be imparted whether or not it impacts on the vote will be relevant.

David Goldstone: Dr Richards may want to come in. The information will include where we currently are on this, won't it?

Dr Richards: Yes. To go down to a granular level, next week the Programme Board is having a paper precisely on this: on the work that has been done over the summer recess looking at the northern estate, PCH and Richmond House. The Programme Board will be considering that and also that the QE2 remains the preferred location for the House of Lords.

Then we will be going to the Client Board—the two Commissions—in November on this, so I would not want to prejudge their decisions, but it could be that by the time of the debates in December we have a high-level indication of what is likely without being able to pin it down. Of course, we cannot prejudge which delivery option is going to be chosen, whether that is continued presence.

Q59 **Chair:** Can I just be clear? We understand that some offices have been purchased, leased or whatever in Victoria Street.

Dr Richards: Yes, but that was the previous moves programme, which was largely for House staff. So we lease—

Q60 **Chair:** But there is office space. Is the office space that has been acquired so far enough to accommodate all the staff in the building?

Dr Richards: The House staff, yes, but it does not account for proximity or adjacency; obviously if you are a Division Clerk, there is no point in you being over in Victoria Street. Basically, we have solved the problem of getting our House staff off the northern estate—for example, out of Derby Gate, so that Derby Gate can be used as Members' offices. They are all now in Victoria Street, Dartmouth Street or elsewhere.

Q61 **Chair:** So that bit of the jigsaw puzzle is—

Dr Richards: That piece has happened, yes.

Q62 **Mr Djanogly:** Going to the wider perspective again, at the last session on R&R we were told that the inability of politicians to come to a decision was top of the risk register.

Dr Richards: That might have been me.

Mr Djanogly: Obviously you cannot discount that, because Parliament can do what it wants, ultimately, but with the new process that we now have in place, are you more confident that politicians will have a more direct route than they had before to make a decision on it?

Dr Richards: Absolutely I am. In fact, we have recently been discussing whether that risk gets downgraded. When we last came before this Committee, in February, the Programme Board had not even met; now, the Programme Board has had at least six very good meetings—really



HOUSE OF COMMONS

high-quality debates—and its recommendations have been accepted by the Client Board. This is all being minuted in Cabinet-style minutes.

We have engaged with hundreds of Members on this as well, so we really feel that politicians are much better sighted. By the time we come to put the costed proposals to the Houses in a year's time, there will be good evidence about the pros and cons of each option in that business case, so I feel that even now we can say that we are enabling politicians to make much better informed and much more transparent decisions.

Mr Djanogly: Yes. From my questions, it looks like there is an awful lot that will have to happen between the debate this year and the next stage.

Chair: Which will be after the election.

Q63 **Mr Djanogly:** How confident are you that that can all take place? Is there in itself a risk of delay there against further deterioration of the estate?

Dr Richards *indicated assent.*

Andy Helliwell: There is a lot of work to do to meet the timescales that we have set out. Since we established the Programme Board earlier this year, we have achieved the milestones that we aimed to meet and that we set out for the Public Accounts Committee previously—so far, so good. But the publication of the strategic case and the debates around that in the House later this year are only a waypoint towards the actual bringing back of the full business case and the full options in 2025.

To add to what Dr Richards said about the risk of politicians not making decisions, it is slightly glib to blame the politicians. Our job is to enable the politicians to take decisions, and what is different from previously is that, through setting up the Programme Board, we have brought the politicians closer to the detailed decision-making process.

We have increased our continuous engagement, not just with those directly involved in the Programme Board but with the Houses in general. In the information that we will publish in the strategic case and subsequently, we are bringing a greater level of information than we did previously, and that will enable those decisions to be taken. I think there are a number of steps that we have taken to mitigate those risks and enable some quite challenging timescales to be met.

Mr Djanogly: Thank you very much.

David Goldstone: I think the question was also asking about the work that needs to be done after December for the detailed proposals. I think the bulk of that will sit with us in terms of the detail. With the mandate that we had from last summer, the decisions that have been made, and the recommendations through the Programme Board, agreed by the Client Board and coming forward to the Houses, we have started the work on how we would develop designs to meet the outcome level we discussed earlier.



HOUSE OF COMMONS

There is also the more detailed work on the cost and schedule of that and looking at the risks, as we discussed earlier, including in relation to a continued presence and how those can be mitigated. So there is a lot of work around the core proposal for the Palace works and the Restoration and Renewal works that we would bring back.

In parallel, as we have discussed, there is the work on the temporary accommodation solutions. We will also be working up how we would deliver the programme in more detail. A big chunk of that, as I mentioned earlier, is that we have recently started engaging with the market for the suppliers who we would engage to take forward the programme once there has been a positive vote to deliver R&R. We would not appoint them until that point has been reached.

All those things are basically what we are planning to do over the coming financial year and the year after to develop the proposals. That is what we are here for. Our budget, which is just about to go through the budget process, anticipates us taking forward all those priority actions. It is about the detailed proposals, the temporary accommodation solutions, bringing in new partners and carrying on with the surveys, as we discussed earlier. Those are the big priorities and that is where we are focusing our time.

Q64 Mr Djanogly: Thank you. If I may move on now to personnel, I go back to our May 2023 report. Paragraph 13 says, "Although the House Administrations have made progress bringing the Sponsor body staff 'in-house', the reset resulted in the entire leadership team of the Sponsor Body leaving." Maybe, Dr Richards, you would like to address how recruitment is going.

Dr Richards: Absolutely. It is one of our biggest challenges: to have been doing organisational redesign at the same as running this programme. We have finished the design and we are starting to fill posts now. The new complement or headcount is 40 and about half of that is still vacant. We have about 24 people against that complement of 40.

Mr Djanogly: What is the impact of that?

Dr Richards: This gives me the chance to thank the team. It means the team are having to work extremely hard to cover the bases. On the amount of engagement we have been doing, literally Charlotte sitting behind me and her team have been pulling out all the stops to cover that. We have been asking people from the Houses to help us. We are coming up with solutions such as borrowing half of a person from elsewhere to help us do that engagement. It is not ideal.

We have had a few technical issues with getting jobs graded and things like that, and getting people matched into post. We have to run some TUPE transfers, so there have been quite technical HR processes to go through. Really, it will be great. It is a work in progress and one of the things we cannot let up on is getting those posts filled. We have recently advertised and filled some more posts so we are growing all the time now.

Mr Djanogly: I think what you are saying is that so far, despite the



vacancies, there is no impact on the timescale.

Dr Richards: There is no impact on timescales. We had a really ambitious set of milestones for this calendar year and we have met every one of them. That is really down to the hard work. Everyone just kept going over the summer recess to work on these accommodation options and the strategic case that we are putting to the Houses. The team has really been working hard. It will be nice to get back to normality once we can get some more personnel.

Mr Djanogly: Are you having to contract out more as a result?

Dr Richards: No. Luckily, we already had PwC on board and they do some of our business case work for us. We have been able to use that contract. It is very limited. There has been one post we could not fill that we are using a contractor for, which is a risk manager. That was a failed recruitment.

On the whole, there is no point bringing in too many people from outside because they need to understand the nuances of Parliament and the programme. We can bring in programme technical specialists, but really what we want to do is to fill these posts for the long term and build that team, so it is a really excellent team for the longer term.

Q65 **Chair:** For quite a long term. I just want to be clear before we move on about exactly what "do minimum" is. Can you just define what the "do minimum" option would be?

Dr Richards: I can't really, because we need to do more work on it over the next year with the in-house teams to say what would be a minimum.

Chair: We walk through leaks. We have holes in the floor. There are all sorts of things. What is odd is that we see people polishing the brass and the chairs being reupholstered while there are also buckets collecting water. Really, the "do minimum", from a layperson's perspective, seems to be a bit of a moving project. Is that fair?

Dr Richards: It does require replacing systems—out-of-life systems, for example. It's more than just patching up.

Chair: So it would include ripping out some of the pipes we have seen in the basement, which are dangerous. That would be part of the "do minimum".

Dr Richards: I think it would have to be if you are going to replace some of these systems.

Chair: That is quite a big amount. What about going down two more levels in the basement to fit in the plant? Would that be part of the "do minimum"?

Dr Richards: I don't know.



HOUSE OF COMMONS

David Goldstone: If I can go back to the options work we did when we discussed the 36 options earlier, the lowest option we looked at, which we called zero, was to just do the absolute priority works the Houses mandated last summer, which were around replacing the systems and services, the fire protection, the health and safety, including asbestos, and the building fabric conservation. Those four priority areas were agreed by the Houses last summer.

Chair: Sounds like quite a big “do minimum”.

David Goldstone: Those are the priorities that were agreed. The minimum option we put on the table was to just do those areas effectively, to benefit the priority parts of the Palace, so not the whole Palace. We called it zero because it was almost below what might be viable, but that was a way of defining an absolutely minimum scope. We have to think about both what the programme delivers—that is the scope side—and how it is delivered, and the discussion we had earlier about decants and continued presence is partly about how whatever—

Q66 **Chair:** Could you even do the “do minimum”? If you’re ripping out things from the basement and dealing with asbestos, how could you do the “do minimum” with people in situ?

David Goldstone: I think the reality—we need to do the detailed work we have described—is that it would take a very long time. You would need, for example, temporary services installed for services that are being taken out. Installing temporary services—

Q67 **Chair:** Costing how many millions? How many millions does it cost to recreate a riser and its equipment? It’s several millions, isn’t it?

David Goldstone: Exactly.

Chair: Do you know the figure? It is several millions, from—

David Goldstone: I don’t know off the top of my head, no.

Q68 **Chair:** But it is. We can go back and check the figure, but it is a lot to replicate all the wiring while the asbestos is removed and then put it all back in situ. That would be the kind of scale of work for the “do minimum”.

David Goldstone: I am describing the outcome level zero we did for the options work. As Dr Richards has said, we need to work out what is going to be the “do minimum” option that is brought for the business case. But as you said earlier, if it is to satisfy the Act, there are minimum requirements.

Chair: Dr Richards, do you want to come back on that?

Dr Richards: Not really. To be honest, I would be speculating if I were trying to define the “do minimum” now.

Q69 **Chair:** Okay, that’s fine. There is an awful lot to be done next year. You have to do all the work to prepare for the early 2025, likely post



HOUSE OF COMMONS

election—the last date there can be an election is January, so it is likely that it will be a post-election decision. So you have to do all that, and in the meantime, Mr Helliwell and Mr Goldsmith, you have to make sure that the Palace keeps running. Is there the capacity to do both? And isn't there a risk of delay to the project in order to deal with current deterioration issues?

Tom Goldsmith: It is a big challenge, but I don't think there will be any delay by having to do both. As Patsy has already said, the team has done a really good job this year in getting to the point it is at now in quite a tight timescale from where it started and with an incomplete team. I've got confidence we'll be able to keep things going on both fronts.

Andy Helliwell: I would just add that, broadly speaking, in terms of the major works required to maintain our presence in the Palace while we are making decisions, the programme of work for next year is broadly set and broadly resourced within Strategic Estates already. So I share Mr Goldsmith's confidence.

Q70 **Chair:** Of course, we now have a pre-conference recess sitting. When I started here 18 years ago, we didn't sit for those weeks in September, but now we do. Is that a problem for you, Mr Goldstone, in managing the work? We talked earlier about the summer period.

You have a very few weeks—six weeks—over the summer to do some of the more intrusive work, and actually the building is still occupied with the thousands of staff and the visitors who come; it's just that the House is not sitting. Is there a problem with the amount of time the House is sitting, from your perspective? I recognise there might be different perspectives around the table, but from your perspective, doing the hard, on-the-ground work—

David Goldstone: It has not been, because we know it is a fact of parliamentary life and we plan around it.

Chair: Is it expensive to plan around it, because you have to up stumps—

David Goldstone: For the last two years, we have looked at this. If the Houses did not come back before the conference recess, we could carry on longer with more, and do more survey work. It does have a cost impact for us. And we have asked the question in the last two years. The answer has been, I think—there hasn't been enough confidence, really, that that time wouldn't be needed—

Chair: What is the cost? Can you give us a ballpark or a range?

David Goldstone: It is a small number. Could I come back to you with a specific number?

Chair: You can come back to us with a figure on the cost.

David Goldstone: We have worked it out, and in the scheme of things, it is a relatively small amount. It is the time of stopping a survey and then restarting, because we then start again during the recess.



Chair: Helpful to know.

Q71 **Anne Marie Morris:** On transparency—being clear about what is going on, with not just the people directly affected within the Houses and on the estate but the public more broadly—how do you reckon you are doing? We have the annual report and the quarterly updates. How efficient or effective are they? How broadly are they sent out? Have you had any feedback to see whether people actually read them? It would be helpful. Who would like to take that? Mr Goldsmith?

Tom Goldsmith: May I give a brief overview? I think we started from a fairly low base on this, but things have improved with the quarterly and annual reports, and especially the work that Patsy and her team have been doing on engagement with Members and Committees. I know that addresses only one part of the issue you are looking at because there is external consultation as well. Patsy, I will turn to you.

Dr Richards: Mine is a bit less positive because we haven't had a huge amount of feedback on the annual and quarterly reports. Our own Programme Boards and governance, and a couple of our committees, have said that they believe they look a lot clearer than they used to. They go out to all Members, essentially, but I must say we have not had a load of feedback on them. That could be because they are doing their jobs. We have been going around party political groups as well, and the domestic Committees of both Houses.

As I mentioned, we have had 350 interactions with Members since January this year. We do feel we are getting the message out in a way that we perhaps weren't before. As I mentioned, we also publish the Cabinet-style minutes and decisions of the Programme Board and the Client Board.

Q72 **Anne Marie Morris:** Just before I transfer, if you like, can I get a bit more clarity about the external stakeholders? So far, I am not clear about the British public. How much do they know about what is going on? How often do they get any form of update? There are all sorts of bodies—UNESCO—that are interested and impacted by this. I don't know which of you is best placed to answer. Is it Mr Goldstone?

David Goldstone: There is a range of bodies that are going to have a great interest through the planning and consenting process. For example, we will need local planning and Historic England just to get listed building consent, and UNESCO interest would come in through that. We do interact with those bodies. I meet with them—in fact, the Client Team and Strategic Estates often do that jointly—to keep them updated and informed about what is happening.

We do that across a range of interested stakeholders, so we definitely keep them informed. At the moment, we are not close enough to going into the formal process to start those in a more detailed way, but we have kept those bodies informed throughout about what is happening with the programme and where it's going—both in terms of what will be delivered, which they have an interest in, and how it will be delivered.



Anne Marie Morris: What about the general public?

David Goldstone: I think Dr Richards can talk about the general public.

Dr Richards: We do have a duty under the Act to keep the public informed. We have let off that a little bit during the reset of the programme. In the last year or so, we have taken our foot off the pedal there because we didn't know what we were engaging on. Before that, we had a report published in early '22 that had the views of over 20,000 people from around the UK. That was from various engagement events, surveys and so on.

We are absolutely about to start that again. That is where we get some of our useful views on the fact that people do really value this building and the institution, and want us to preserve it. More than that, they want us to do it properly. So there is quite a big sample size in the former public views document that we published. We are about to start that again. We didn't think it was appropriate to keep engaging with the public during the previous year when the programme was going through a reset.

In addition to that, the Delivery Authority has been going around the country and engaging with the supply chain as well, because we want to make sure that, again, the benefits of the programme are felt around the UK. I attended an event in Glasgow just a couple of weeks ago, hosted by the chamber of commerce there. There were really fantastic people there; CEOs and MDs of companies were there to hear about the opportunities from R&R. That has been building up public awareness.

The other thing was that some of our assurance reviews have talked about us having political champions. We have them now in our Programme Board. The chair of our Programme Board, Nigel Evans, has been fantastic at getting some of those articles out there and being interviewed by journalists to explain some of the things we have been talking about today. I feel that has been a bit of a step change; we now have Members who are prepared to talk on an informed basis about what is going on with the programme and the challenges. I feel that has now also started to feed through to the media and reach a wider range of the public.

Q73 **Anne Marie Morris:** Let me stop you there. I am concerned that we have got a very short time before Members will be asked to vote. Members will vote not just on what they like but on what their constituents feel. So whatever programme you put in place needs to be quickly expedited, because otherwise MPs will not have the feedback to be able to vote. Voting clearly and on an informed basis is very important. When you get your new programme worked up, if you could share some of the detail with the Committee, I think we would feel reassured.

Dr Richards: Yes, I will.

Q74 **Mr Djanogly:** Briefly, my question is on the issue of managing Members' expectations and engagement, from my own experience. This is where I get to mention my bugbear, which is that this place may have been built for all of the MPs, but now two thirds of them have their offices off the



HOUSE OF COMMONS

estate. Thus you get pinch points during Divisions. Two thirds of MPs come on to the estate and have to go up these tiny little corridors that are not fit for purpose—unhygienic and dangerous. It is a total crush. For me, it is actually the worst part of being an MP. I would have thought that this would be a good time to put that right.

At various times, through the various iterations of R&R, I have made that point. It may or may not be looked at, but I thought it was a valid point. I wrote several times, I spoke with people who were in Portcullis House, and someone came to my office. So there has been lots of engagement, and I have to say that whoever I have engaged with has been perfectly pleasant, but it is almost like talking to a black hole, in so far as I never really got any feedback; I never saw where it was going. So when you say, as you did before, that you have spoken to 300 MPs, I get that, but that does not mean that those 300 MPs are going to feel that they have been listened to. I think a little bit more thought needs to be given to how you feed back with engaging MPs.

Dr Richards: That is an absolutely fair point, which I totally take on board. I had it in my notes that you dropped in to one of our stands. We have got records of what people have told us, but our biggest gaps are with that engagement team. We need to really start synthesising what people have told us and get back to people and close that feedback loop. I totally take that on board. Thank you.

Q75 **Chair:** I want to pick up on a couple of points, one of which is the opportunities for businesses that you talked about, Dr Richards. Sometimes when big things like the Olympics have happened, the engagement has been identifying all of the products that are needed, right down to the types of screws that are needed in types of chairs or tables—really identifying everything.

Are you planning to get to that stage, so that contractors around the country, not necessarily specialist heritage contractors, can look at being a part of what will be a multibillion-pound project? You could also look at it as a multibillion-pound injection into the UK economy. I am sure it will not just be the UK because of the specialisms, but a large chunk of that will go to the UK economy.

Dr Richards: If you do not mind, I would like to hand that to David because they have just had a huge event about this.

David Goldstone: Absolutely. That is exactly what we have been doing. Dr Richards mentioned the recent roundtable we held in Glasgow. By December, when we are bringing the strategic case to the Houses, we will have held those sorts of roundtables with local political leaders and businesses—particularly small and medium-sized businesses with specialist skills—in all the nations and regions of the UK.

So, we have been round everywhere once; we've started going round a second time in some areas. We have around 200 local businesses and other training organisations—those sorts of bodies—involved. And a lot of the conversation is about the specialist skills—the opportunities—it creates



around the UK out of this programme. We are very mindful that while we are physically in London, it is really important that this programme is felt and seen to be the UK's Parliament's project—

Q76 **Chair:** I think the original Act had an amendment to that effect—

David Goldstone: That is right. We have an obligation to have regard to this and we are discharging it. Our chair has led most of those sessions; he has been all around the UK doing that, and we will carry on.

It is about local businesses with the opportunities in many of the specialist skills—stonemasonry and the sort of things that are specific to this sort of building—but it is also about digital and the construction and surveying side. We will need to access those opportunities all over the UK.

The reason I mentioned training providers is that in some areas this will be a very significant leap in the demand there has been for those sorts of skills and training. So, one of the things we are looking at is how we build the capacity where it is not there currently in the sorts of skills that this programme will need in those specialist areas. So, talking to training providers and considering how skills can be developed, where there are regional specialisms, has been part of that.

Q77 **Chair:** Which begins to explain why there will be a delay, between any decision in early 2025 and actually any work properly beginning, of about four or five years.

David Goldstone: I don't think the development of that market is—I think the timescales are such that that's—

Chair: Well, the market, the decant, moving—once a decision has been made, there are still many things that need to be put in place.

David Goldstone: Exactly.

Q78 **Chair:** In terms of engagement, the trade union side—so, the trade unions that represent the staff working in this place; sometimes that includes Members' staff, but mostly House staff—were invited to one focus group to discuss their views. Now, given that between them they represent thousands of people working here, why only one focus group? Is that proper engagement? I'm hoping to put that to Dr Richards.

Dr Richards: Yes, I will take that. We do have very close relationships with our trade union colleagues, including the president, Ken, and they always have our ear; that's for sure. And we have asked the trade union side how they would like to be engaged. We have monthly meetings with them. We have had many more informal meetings and exchanges.

The focus groups are quite a specific part of engagement and we have invited them to that, but the individual members will probably have been to more meetings. So, the focus groups are only one part of what we have been doing there and we remain open to having more interactions with the trade unions formally if they so wish.



HOUSE OF COMMONS

I think that over 100 people—Members' staff—have attended drop-in sessions. We have interacted with MAPSA as well and we have had technical engagement with House Staff—

Chair: MAPSA is the Members and Peers' Staff Association.

Dr Richards: Yes, exactly. They have also been invited along to workshops.

Q79 **Chair:** Basically, you're saying that you're all open to people commenting and putting views in to you—

Dr Richards: We absolutely are. That's quite a narrow definition, to say that the unions have been invited to one focus group, because there is lots of other engagement going on around it. That is my point.

Q80 **Chair:** Mr Goldsmith.

Tom Goldsmith: Thanks, Chair. As I think you know, this is my first sitting week in this job and one of the meetings that I absolutely wanted in the diary for this week was a meeting with our TUS president, which I've had. We have talked about this issue and he has made his views very clear about, for example, continued presence. It is really, really clear to me that we need to engage the unions and keep a constructive dialogue with them throughout this.

Q81 **Mr Francois:** Mr Goldsmith, how do you differentiate, for the purposes of the Act, between maintenance and the restoration and renewal programme? Where do you draw the line?

Tom Goldsmith: That's really tricky and it comes back to an issue Patsy was talking about earlier regarding exactly how we define restoration, because to engage the provisions of the Act we actually have to be restoring the House. As Patsy was saying earlier, that's not just patching up the place.

So, I think that will come into much sharper focus as we get closer to a final decision. We will need to make sure that we're clear that what we're doing is genuinely restoring the House and it's not just doing maintenance.

We do a huge amount of maintenance, as you know, all the time. We do something like 40,000 maintenance tasks a year. But clearly that's not R&R; that's just keeping the place going on a day-to-day basis.

Q82 **Mr Francois:** If I can explain, the reason I ask the question is that it has been brought to our attention that in some cases, quite important maintenance work has been challenged because some people have argued, "No, that falls under the Act. You can only do that as part of the R&R regime."

I think there have been a lot of debates about the Victoria Tower, to give one example. It would be silly if we over-interpreted the Act in a way that got in the way of really important maintenance work in the Palace. There are even some people who, I understand, are privately arguing that the Act may need to be amended to clarify this. From what I am told, this is



HOUSE OF COMMONS

becoming a real problem. What reassurance can you give the Committee that we are not being overly bureaucratic about this?

Tom Goldsmith: It is a really good point. I will ask Andy to come in in a moment, if I may, on the Victoria Tower, because he knows more about that project than I do. Just to assure you, we are now either doing or about to do some very big projects to keep the place going and keep it safe, notwithstanding any decisions taken on R&R.

We have the external work on the Victoria Tower; we have a flat roofs project to fix failing roofs. We have a mechanical, electrical, public health and fire safety programme going on to make sure that our essential services can keep working, and we have work on the stonework of the House to make sure that that is safe.

Q83 **Mr Francois:** Sorry to interrupt. We are always tight for time on these things—it is the nature of the beast—so no disrespect is intended. I am hearing privately that while the external work on the Victoria Tower has been given the go-ahead, there is now a big debate about internal work in the Victoria Tower. Some parties are arguing, “Oh no, that is R&R. We can’t do that.”

Andy Helliwell: Shall I take that? The Victoria Tower is a very good example, because we expect the work on the outside of the Tower to start next year. We took the clear decision to initiate that as a programme outwith R&R, because we were concerned about the safety implications of not doing so; there was clear evidence that the exterior stonework was deteriorating. We put the crash deck up and made the judgment that restoring the outside of Victoria Tower should not wait for R&R for exactly that reason—because of the maintenance.

Q84 **Mr Francois:** So far, so good.

Andy Helliwell: With regard to the inside of the Victoria Tower, it is currently still occupied by the Parliamentary Archives. There is a programme to move the contents of the Victoria Tower to the National Archives at Kew and hand over the responsibility for the archives to them. That programme completes in early 2025, at which point the inside of Victoria Tower will be empty. There is then a question about what we do with the inside of Victoria Tower.

Do we take that in scope as part of R&R, or do we take it separately and have that work done by our in-house maintenance organisation? That decision has not been taken yet. It is less an issue about maintenance and safety for the inside than about what will deliver the best value for money and be the most efficient.

Given that we are doing the outside of the Victoria Tower over quite a long period from next year onwards, what will minimise disruption to Members of the Lords? If they are disrupted by the outside, there is quite a strong argument that we should do the inside at the same time so that the disruption is concentrated, if that is logistically possible.

Mr Francois: I understand that. It is analogous to digging up a road. If



HOUSE OF COMMONS

you were going to dig up a road to lay one set of cables, why don't you get another company to come in and do the gas works at the same time? There is an analogy there.

Andy Helliwell: Indeed.

Q85 **Mr Francois:** We are hearing quite a bit about this. Amending the Act could be done, but it might be cumbersome. Can you please look at this to ensure that we are not being overly bureaucratic and getting in our own way?

David Goldstone: I don't think we are, in practice, getting in our own way. The Programme Board has recently discussed the various strands of early works both that the Estates Team are doing and that we are planning to lead into R&R. We are jointly looking further at whether, as Andy described, there is an opportunity around the internal works in Victoria Tower.

It is worth saying, without going into the specific case too much, that we have a really well-established process by which we look at these in all projects and all business cases, which for a number of years we have called the R&R test. Basically, the House teams and our team sit down, look at each thing coming forwards and look at the value for money questions, the safety and the security.

What is the need? How urgently does it need to be done? Then, we make a judgment about whether it is best done ahead of time by Strategic Estates because it is critical or whether it is something that is better deferred into the R&R programme. We make conscious choices using that R&R test process. That is a continuous thing.

Q86 **Chair:** The longer things go on, the more the risk will override the other issues.

David Goldstone: Correct.

Q87 **Mr Francois:** Just to give an analogy, the Elizabeth Tower was not part of the R&R programme. That was done separately. Unfortunately, from this Committee's point of view, it went way over budget and it was years late. If you regarded that as the starter and R&R as the main course, the starter left a sour taste in the mouth, unfortunately. Despite a great deal of hard work, it was not a brilliant first go at it. Could you drop us a note, Mr Goldstone, and give us more detail about how the R&R test, as you have categorised it, works in practice?

David Goldstone: We absolutely can.

Q88 **Chair:** And it would be helpful, if there is a document that outlines the risk profile of projects, because as they get riskier—a bit of masonry falls off, you go and have a look and just the scaffolding alone is costly in a building like this one—all those things then come up the list because the risk will be—

David Goldstone: That is a thing we should put together collectively.



HOUSE OF COMMONS

Chair: Sorry, Mr Francois, I will come back to you. While I am on this, the two Clerks have the health and safety responsibility so the risk bit is the bit that will drive you—although we will come to the costs in a moment. Mr Francois.

Q89 **Mr Francois:** I am sorry. Just to finish: can we just have your assurance, Mr Goldsmith—and I understand, on behalf of Tom’s counterpart—that you are not going to allow over-adherence to the Act to get in the way of anything that sensibly needs to be done in the short to medium term?

Tom Goldsmith: I certainly would not want to do that. I want to be pragmatic. We talked earlier about the costs of keeping a place going. We were talking about that figure of between £1.45 million and £2 million a week. To give you, I hope, a little more reassurance on this, in 2022-23, we spent about £91 million keeping the place going. Of that, the vast majority—about £86.5 million—was on these big sorts of projects. We are doing important things even though we know that R&R is coming along. We are very happy to write to the Committee and give you more detail about how those judgments are made.

Q90 **Chair:** That brings me neatly to the issue of nugatory costs. There will be things that you will have to do for risk and safety purposes that may then have to be redone under R&R. It will be interesting to hear how you are balancing that. Then, of course, Norman Shaw North has been closed for work to be done to it and now there are discussions about what will happen there. What about nugatory costs on the northern estate as well? We can perhaps take the main Palace first and then the northern estate. Mr Goldsmith first and then Mr Helliwell can come in.

Tom Goldsmith: Well, there is a technical definition of nugatory, isn’t there? Then there is a judgment call to be made. Given the uncertainties about when R&R will actually start, the option that will be chosen and how long it will take to do, there are some things that we have chosen to do now that we know will be replaced eventually by R&R, such as some of the fire projects. That, to me, is not nugatory; that is about making sure the place is safe for the next decade.

Q91 **Chair:** We have lost five years, basically, so had we been five years earlier some of that would not have been spent. There is still a judgment to be made about how long the process takes, which we will come to as well.

Tom Goldsmith: I think really I would give you a variation on what David has already said, in that, for me, it is about this R&R test. We look at all the work that we might do and we think about whether this has to happen now. Will it give us a real benefit before R&R is done, or is it something that can wait until R&R? We are more than happy to write to you on that and give you some information.

Q92 **Chair:** There is also the reasonableness for people working here.

Tom Goldsmith: Of course.

Chair: You can work in a building where you come in in recess and there



HOUSE OF COMMONS

is noise, banging and so on, but it is less than optimal. You can work in a building where you are falling down holes in the carpet because they are patched up. It is noticeable how fewer women wear heels these days because you couldn't manage it. Again, it is suboptimal if you are walking down a staircase and you are going under a bit of masonry that is leaking. You can work in that environment, and even sometimes with health and safety it is okay, but is it reasonable?

Tom Goldsmith: That is a really good question. We touched on this earlier. One of the things our combined safety policy says is that even if some health and safety legislation does not apply to us formally, we act as if all that legislation does apply to us.

The Health and Safety at Work etc. Act 1974 talks about the duty of employers to ensure, so far as reasonably practicable, that a workplace is safe and to look after the wellbeing of those who use it. The Employment Rights Act 1996 says that staff will not face a detriment if they leave or do not come back to a workplace where there is a serious or imminent risk of a safety problem. Those legal definitions are there and we—

Q93 **Chair:** They don't, strictly, apply to this House.

Tom Goldsmith: Some do, some don't.

Q94 **Chair:** So both of you have to report to the Commission. The Commission is a bit opaque. We were talking about transparency and reporting earlier, and we do not understand what comes out of the Commission—because these little statements come out, rather than full minutes.

You are in a place where you are having to give advice to the Commission, which ultimately makes the decision. You are not legally under the law for some of these health and safety aspects—they do not apply—so where does that put you? If, in your professional opinion, your moral opinion and your heart of hearts, you think, "This is not safe," could the Commission override you and say, "Actually, you're not bound by law, Mr Goldsmith, so we want you to do this."? Where would your professional duties—

Tom Goldsmith: There are some areas where Simon and I are bound by law—fire regulations, to give an example.

Q95 **Chair:** So the law protects you in your professional capacity and makes you be professional. What about in other areas?

Tom Goldsmith: In that circumstance, I would not worry too much about the formal legal position, because I would take it as a moral responsibility.

Q96 **Chair:** Right, so your moral compass is in the legal place. That is good. What about if the Commission said, "You don't legally have to do it, and we don't want you to do it."? Where in the opaque structures of how this place is run would you be able to challenge a decision by the body that you report to?

Tom Goldsmith: I would still have an overriding responsibility for the safety of all people coming on to the estate. If any governance body was



HOUSE OF COMMONS

taking a decision that I thought was really wrong and wanted to challenge, I would make that public. It is a bit like what we were talking about before. It would be either, as I said before—

Q97 **Chair:** You could make that public. Could they sack you? Practically, these are important issues. We need to know who is in charge.

Tom Goldsmith: In my fourth sitting day in the job, I have not given a lot of thought as to how I might—

Chair: I am sorry; it was a bit mean to raise it in your first week.

Tom Goldsmith: I think formally it would take a resolution of both Houses to sack me, because I have letters patent.

Q98 **Chair:** Okay, you have letters patent, so you have the backing of the monarch—we are going up the hierarchy. It is helpful to know that. In terms of costs, the last time we spoke you were talking about '24 or '25 for a decision by Parliament. I can understand why any Government at this point might not be keen to have a decision in '24, prior to an election. Post an election is still risky, and there are many challenges.

We have two votes to have, including one this year. Planning issues could be very time consuming and have been problematic before. There are all the known unknowns and the unknown unknowns, and the costs, which we will touch on in a moment. With all of that, are you really confident that you can hit a point in early 2025 where there will be something concrete to put before both Houses to make a decision? There are a lot of risks.

Dr Richards: That is our target. When you are interviewing, they often say that past performance is the best guide to future performance, and we have hit our targets so far, even though they were ambitious. In a way, the general election, which is likely next year, gives us time. What we will be doing by then is hopefully having our heads down and working out the options and the costs. We know it is ambitious, but early 2025 is the earliest we think we can do it.

David Goldstone: Yes, I am confident that if the strategic case goes through successfully in the next couple of months, we will be ready and able to bring those detailed proposals in early 2025. A lot of the risks you have described are thereafter, getting into the planning process.

Q99 **Chair:** The first time, there was not even a vote for over 18 months, from September '16 to 2017—that was when the final vote took place. That is also a risk, so how are you mitigating that, Mr Goldsmith? With the election coming and lots of MPs moving on, you will have a whole different client group to deal with in terms of making the decision on the vote.

Tom Goldsmith: I think that comes back to our new governance arrangements. The fact that we now have both Commissions very much engaged in this work means that we are much more politically attuned and



HOUSE OF COMMONS

tied into what politicians want. Obviously, we are reliant on people bringing forward the motions, both in December and in '25.

Q100 **Chair:** When you say “people”, you mean the Government.

Tom Goldsmith: Yes.

Q101 **Chair:** On the 36 projects, I can see how the maths works out for 36 options, but there were never really 36 options. Lots were ruled out. Eventually you got down to three. One is the benchmark and the other two are the real ones. When are you going to publish likely costs on these and are they going to be in current prices?

Dr Richards: As soon as they have been approved by the client board in November we will publish what we call the strategic case, which is the way forward, and that will give indicative costs.

Q102 **Chair:** We have had indicative figures before. There was a £4 billion figure that was way too low for what the costs will be, which often gets repeated and gives people a false impression of the actual cost.

Dr Richards: They are realistic. They have been adjusted to 2023 prices. There is a range, and it will always be indicative at this stage of the business case process. It will be the best that we can do at this stage of the business case process.

David Goldstone: And it will include forward-looking inflation and will be risk adjusted.

Q103 **Chair:** Clearly inflation is an issue for the costs of staffing and materials. Steel was very expensive when we looked at HS2. So you are future-proofing it. What about contingency? What percentage contingency are you building in?

David Goldstone: It is not a simple number. We have looked at different aspects of the programme. We have used Treasury guidance and reference class forecasting. We have looked at other projects for the really unique features of the Palace and applied risks to both time and cost based on evidence that we've got from other major heritage projects and other Parliament projects.

If the QE2 is confirmed, that is an important part of the project. It was nothing like as uniquely complicated a project for the design and build works to re-model internally as this place is. We used risk allowances that recognise the different types of projects and the different levels of—

Q104 **Chair:** As Dr Richards highlighted, you could survey two walls of a room and find no asbestos, and when you actually do the work and do the other two walls you could find there is asbestos. Presumably you are building in those—

David Goldstone: We are building in uncertainty, yes.

Q105 **Chair:** And that will be separately quantified. So it will be the cost of what you think the work will be—obviously, it is all moving a bit—and then the



HOUSE OF COMMONS

contingency for those sorts of elements.

Dr Richards: Yes, there is a kind of base cost—

Q106 **Chair:** The sooner we can get the real number—it is very expensive and then there will be a lot more work to done. Then of course the Treasury is responsible for paying this directly. It is a UNESCO world heritage site, so ultimately it is its responsibility. But of course, except for the Leader of the House, there is no direct Government involvement, because we are the Houses of Parliament and we have our own governance.

Mr Goldsmith, you are spending taxpayers' money, but it is through the Treasury, and the two of you are representing those responsible as accounting officers. What relationship have you got or are you developing with the Treasury? Who will hold you to account, other than this and maybe other Committees of this House?

Dr Richards: Because we did engagement on the Client Team, we have been having regular meetings with HM Treasury. They are aware of our plans. We have regular meetings. We are also expected to have a Treasury approval point before we develop our final proposals. Essentially, the Treasury is sighted on this.

Q107 **Chair:** Is it possible that the Treasury could say, "We only pay for the cheaper..."—"cheaper" is not the word I should use—"...the lower cost option of full decant?

Dr Richards: I would not want to second-guess what the Treasury might say.

Q108 **Chair:** But they are managing taxpayers' money on behalf of the taxpayer.

Dr Richards: They have not given us indications that what they are hearing they are surprised by. I think they realise this is a national infrastructure project and realise the scale of it.

Q109 **Chair:** It just seems that they are not going to open the taxpayer cheque book and pay more than they need to—I would have thought—whatever the Chancellor is, and the current shadow Chancellor could be in post at that time.

Dr Richards: Obviously, we would have to convince them that the plans are value for money. Our colleagues at the National Audit Office are also having regular meetings with us and advising us on this.

Q110 **Chair:** Mr Goldsmith, how are you taking into account value for money for the taxpayer? You are the accounting officer, but it is not your money that you are spending. It is not the House's money. You are one step removed.

Tom Goldsmith: In a number of ways. Since the original Act was revised by the statutory instrument, the two corporate officers—myself and Simon—have certain oversight responsibilities for the Delivery Authority.



HOUSE OF COMMONS

We have some responsibilities to make sure that the Delivery Authority is bearing in mind VFM issues. We exercise that via a number of routes.

Patsy's team keeps in very close contact with the Delivery Authority. On the Delivery Authority board are two members who are appointed by me and Simon. So that's the way we exercise oversight of the Delivery Authority, which is spending the largest proportion of money on this project.

Dr Richards: Can I add to that? Tom, I think your predecessor, John, had, with Simon, also agreed that the National Audit Office can, obviously, come in and do value-for-money audits. When the Client Team was brought in-house, that took us theoretically outside that ambit, but we have given an assurance that the National Audit Office will still be able to come in and do VFM audits of the Client Team and so the programme as a whole.

Chair: Thank you for clarifying that.

Tom Goldsmith: We also have the Parliamentary Works Estimates Commission, which presents to the House the estimates for these works, and the Treasury has an input into that work.

Q111 **Mr Francois:** Didn't they do estimates for the Elizabeth Tower?

Tom Goldsmith: I know the point you are making—

Q112 **Mr Francois:** I ask because one big risk in all this—Mr Goldstone has admitted it—is that you start the work on a Victorian building, and as you start to expose walls, you find all sorts of horrors that you didn't know were there, and then suddenly the cost begins to go, no pun intended, through the roof. How are you going to prevent that from happening?

Tom Goldsmith: I will bring in David in a moment, if I may, but fundamentally it will be through all the preparatory work that is happening now—all the surveying work, where we are finding out lots of information about the state of the building. We won't know everything; you are absolutely right. David has already talked about contingency and uncertainty, so we recognise that whatever the base budget is, other things might happen. So there are two ways, but I now hand over to David.

David Goldstone: The main way is that the financial estimates, which will be published, subject to the Client Board agreeing, in November—published ahead of the December debate—a very significant part of that total cost estimate is risk money, contingency funding, for that uncertainty.

Q113 **Mr Francois:** Yes, but I just point out, without going into other programmes, that what tends to happen when you have a cost of x and a contingency of y is that the people involved regard y as free money.

David Goldstone: Can I give a personal example of where that has not been the case? We have talked here previously about the 2012 Olympic

games. That is one example where I think I can say that did not happen. I was the finance director responsible for the funding, and we were very transparent about base costs and the different levels of contingency against different risks. It was published and was very visible. That made sure that we treated those very differently.

There were very strict protocols about how they were managed. And we are anticipating effectively using the same approach here, so there will be levels of management of the contingency funding that mean it can't just be treated the same as base costs.

Mr Francois: I have made the point. For time's sake, I will leave it there.

Q114 **Chair:** Mr Goldsmith, we have pushed you a bit on your legal and moral responsibilities in being in charge of health and safety. You have talked about the political desire to see a continued presence, yet your preferred opinion is to move out completely, because that is quicker, costs less and is safer.

Tom Goldsmith: My preferred approach at the moment is to give the mandate to the Delivery Authority to do the further work on both those options, so that we can see whether the risks associated—

Q115 **Chair:** But it costs money to work up both options, doesn't it?

Tom Goldsmith: It does.

Q116 **Chair:** So it is costing extra money to have the other one. What is your evidence that MPs want to consider both options and do not want just your strongly evidenced professional opinion about the safest, lowest-cost option?

Tom Goldsmith: Well, that was the view reached by the Programme Board and then the Client Board, on which—

Q117 **Chair:** But on what evidence? Dr Richards says you have spoken to 350 MPs.

Tom Goldsmith: But the Programme Board does have lots of politicians on it, as does the Client Board. It also has external experts, but there is a strong political element there.

Q118 **Chair:** Equally, you could push your professional opinion about what you think is safest and most cost-effective.

Tom Goldsmith: My predecessor—you will have seen in the minutes from, I think, June for the Programme Board, that there is quite a strongly worded reservation from both the then corporate officers about a continued presence.

Q119 **Chair:** And you share that view?

Tom Goldsmith: Well, I will give you a bit of an insight. I was sitting as an observer next to John Benger. I nudged him and we talked about it. Part of the reason the comment was made was that I was disturbed by it.



HOUSE OF COMMONS

Q120 **Chair:** If that is your professional opinion, it seems to me that there is a danger—we do not know the numbers, obviously—that a few people could be making a loud noise; we are politicians and know how to do that. That could override your professional role and responsibilities.

Tom Goldsmith: I absolutely understand the point you are making; what I am trying to say is that we do not yet have the degree of knowledge that I would like to be able to rule out that possibility.

Chair: So much work has been done on this—

Tom Goldsmith: There has been lots of work, but we have not done all the work. If the risks can be mitigated, it may well be a viable option.

Q121 **Chair:** Speaking personally before I finish, it would take a hell of a lot of mitigation for me to bring in any of my staff or invite any visitors to come in where asbestos is concerned. If I was required to vote in buildings where asbestos was being ripped out, my constituents might find themselves under-represented at that moment.

Tom Goldsmith: That may well be the conclusion that I come to as well, but I would like to see all the evidence.

Q122 **Chair:** It is just that that costs money. Do we have a figure for how much extra it is costing to work on two options instead of one?

David Goldstone: The difference between one option versus two is about three months' extra work.

Q123 **Chair:** Which is about what in terms of cost?

David Goldstone: It is not three months of our total budget.

Q124 **Chair:** It is three months in time. Could you come up with some indication of the cost of doing the two options?

David Goldstone: The marginal cost for doing the second option—yes.

Q125 **Chair:** Some of it will overlap, but it would be helpful if you came back on the bit that does not.

David Goldstone: We can do that.

Chair: Thank you very much indeed for your evidence. We hope to produce something in advance of the vote in the House in, possibly, December; obviously, we do not quite know the date yet. The National Audit Office will, of course, continue its work. I am sure it will have completed another value for money study before the decision is made in early 2025. Let us hope that we do not lose any more time on this project. We all work in the building and we know the problems and dangers. Good luck to you all in getting this across the line.