

Public Accounts Committee

Oral evidence: [Restoration and Renewal](#), HC 549

Tuesday 21 July 2020

Ordered by the House of Commons to be published on 21 July 2020.

[Watch the meeting](#)

Members present: Meg Hillier (Chair); Gareth Bacon; Olivia Blake; Sir Geoffrey Clifton-Brown; Peter Grant; Mr Richard Holden; Sir Bernard Jenkin; Mr Gagan Mohindra; James Wild.

Gareth Davies, Comptroller and Auditor General, Simon Reason, Director, National Audit Office, and Marius Gallaher, Alternate Treasury Officer of Accounts, HM Treasury, were in attendance.

Questions 1-95

Witnesses

[I](#): Sarah Johnson, Chief Executive Officer, Sponsor Body, David Goldstone, Chief Executive Officer, Delivery Authority, Ian Ailles, Director General of the House of Commons, Dr John Benger, Clerk of the House of Commons, and Ed Ollard, Clerk of the Parliaments.

Reports by the Comptroller and Auditor General
Palace of Westminster Restoration and Renewal Programme
(HC 315)

Examination of witnesses

Witnesses: Sarah Johnson, David Goldstone, Ian Ailles, Dr John Benger, Ed Ollard.

Chair: Welcome to the Public Accounts Committee on Tuesday 21 July 2020. We are here today to look at the very important issues relating to the restoration and renewal plans for Parliament, the world heritage site on which we have the privilege of working. We are guardians and custodians of this beautiful Victorian building for future generations. There has been a lot of discussion and debate about this over probably 40 years or more, since the last time there was building. A number of Members here have done tours of the building, including the basement.

Today we will be looking at the role of the Sponsor Body, which was formally established in April this year, having been in shadow form over the preceding year, and at the role of the Delivery Authority. This is the set-up in order to make sure that there is a strong client side, working with the two Houses of Parliament, and that the delivery of this project is worked up and costed, and thoroughly and properly delivered. Since the Sponsor Body established itself, it has set up a review, so we will also ask questions about how that will develop.

I will begin by introducing our witnesses, and then I will bring in Sir Geoffrey Clifton-Brown, who has a couple of specific questions about the witnesses' experience, just to help set the context. First, we welcome Sarah Johnson, chief executive officer of the Sponsor Body; she has been shadowing the position for a while but is now formally the chief executive. Welcome, Ms Johnson.

We also have Ian Ailles, director general of the House of Commons. In that role, he has had oversight of the Northern Estate programme. We will ask you some questions about that role, Mr Ailles, because it has recently been announced that it will be changing slightly.

We have Dr John Benger, the Clerk and accounting officer for the House of Commons, and Ed Ollard, the accounting officer and senior Clerk in the House of Lords, both of whom are corporately responsible for Parliament as a whole. We also have David Goldstone, chief executive of the said Delivery Authority.

I will just bring in Sir Geoffrey very quickly on some of the experience of the witnesses, so that we can get an understanding of what they have done in the past and how that will impact on their current roles.



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Q1 Sir Geoffrey Clifton-Brown: Good morning, everybody. My first question is to Sarah Johnson. This question is not in any way critical; it is inquisitive, to find things out. You have been involved in HS2 and in Crossrail. Clearly, like any big project, they have had their problems. Can you tell us what lessons you have learned from those big projects and how they could be applied to the restoration and renewal project in Parliament?

Sarah Johnson: Yes, of course. Thank you. I will start by saying that, personally, I am quite proud of the role that I played in Crossrail and in HS2. At Crossrail, I was the chief of staff for a number of years, before moving across to lead the sponsorship team on behalf of the Department for Transport and Transport for London. At HS2, I was the sponsorship director within the delivery organisation, responsible principally for the relationship with the Department for Transport, as well as aspects of the business case.

Clearly, I have reflected on my time at both Crossrail and HS2, particularly in coming to this role, and the key thing for me as we take this programme forward is having an open, honest and collaborative relationship, both between my organisation and the Delivery Authority and between my organisation and both Houses of Parliament. We have to be open with each other, we have to work together and we have to be transparent, because that is the only way that this project will succeed.

Q2 Sir Geoffrey Clifton-Brown: That is very helpful; thank you. David Goldstone, how would you apply your previous experiences to this project?

David Goldstone: Good morning. If you are focusing on lessons from previous experience, I would focus on four or five things. Sarah just mentioned working together and collaboration. I do think that having the best people you can get in these roles and then working collaboratively together is absolutely one of the key lessons.

However, I suppose that more specific steps that are essential to the success of major projects include setting a really realistic, evidence-based baseline before a programme is taken forward and before there are commitments on what can really be delivered within budget and time. Setting that baseline, which for this programme will be about the business case, is an essential step.

Having a strong client body that can help establish clarity on where decisions are going to be made and relationships with the eventual owners and beneficiaries is key. Again, that is why I think the Sponsor Body set-up here is very important.

The other thing to mention is the importance of regular and open reporting and transparency in the way programmes are communicated to their stakeholders and more widely. Once the baseline is set and there is a business case, having a commitment to regular and open reporting to Parliament is important. Because of the potential impact of this programme on the wider public, it is important that we are really



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committed to having that transparency, which is one of the things I have learnt from previous experience.

Lastly, I would mention controlling change. We all know that once there is a level of change, it can really undermine the original baseline. So I would pick out setting the baseline, having a strong client body, the reporting and transparency and the change control. But, at the heart of it, having the right teams working together collaboratively is key.

Sir Geoffrey Clifton-Brown: Thank you.

- Q3 **Chair:** Mr Ailles, we have just been notified that your role is changing slightly from the autumn. Can you explain what is happening and who will be responsible for the things that you are relinquishing when you reduce your hours?

Ian Ailles: I will remain director general of the House of Commons and I will also be remaining on the House of Commons Commission. As of today, I am the chair of the Commons Executive Board and therefore have each of the MDs across the entire executive reporting to me, be they the Clerk-Assistant, the MDs of Research and Information and Participation, and the Finance and HR directors. I am reducing my time commitment to Parliament, but I am focusing on the Northern Estate programme, the relationship with R&R and also digital and security. So I have a more focused set of responsibilities, working very closely with the new managing director on In-House Services and Estates, Isabel Coman.

- Q4 **Chair:** In relation to this project, the change is not significant to the future progress of restoration and renewal from your perspective, from the House side.

Ian Ailles: No.

- Q5 **Chair:** Turning to our two Clerks, thank you both for joining us—it is a rare occurrence to have you both in at a public meeting like this. We are very pleased to have you here. Before we go into the main questions, I want to be clear about corporate responsibility. We have seen a lot of risks going on in this place. We have seen masonry fall, and the fire wardens are constantly on patrol. If something were to happen, who is ultimately responsible? Who would be held to account? I'll start with Dr Bengier and then move to Ed Ollard.

Dr Bengier: At the moment it is us, as corporate officers, but, under the relationship agreement that Ed and I have signed with Sarah Johnson, the risks change during the course of the programme in terms of the buildings where the works are being carried out. While the buildings are in our possession, as it were, there are risks, but once there is a big building site they will be the responsibility of the Sponsor Body.

- Q6 **Chair:** Ed Ollard, do you have anything to add to that?

Ed Ollard: Just to endorse everything that John has said. The principle during construction is that the control of the premises will bring with it the control of the risks associated with the premises. In terms of where we are



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at the moment, it is important that the Committee is aware that we need to keep the building safe, and we are confident that we are. It is a safe environment, but it does take a lot of effort to preserve that. Obviously, we would prefer to have more structured and effective ways of doing that than some of the methods that we are having to use at the moment.

Chair: We recognise that it is a challenge as we all walk around the building site that it is becoming, even before restoration and renewal has begun. I should be clear to anyone watching that restoration and renewal has still not started formally. We are looking at it at an early stage with the support of the National Audit Office.

Peter Grant will kick off with the main questioning. I remind everybody that we aim to finish around midday, so perhaps witnesses will bear that in mind in their answers. You do not need to repeat an answer if you agree with a previous witness's response.

Q7 **Peter Grant:** Good morning to all the witnesses. I want to start with Sarah. There has been a lot of chatter in the media recently about various parts of the programme being completely revisited, including a suggestion from the Prime Minister that we should all move to York. Just for the record, can you clarify what decisions are still up for discussion, what key decisions have already been taken and what can be revisited?

Sarah Johnson: I think we should talk about the strategic review that David and I jointly commissioned a couple of months ago. It is important to reflect on some of the work that was done by the Joint Committee, which always envisaged that when the Sponsor Body and Delivery Authority were set up it would test and validate the assumptions that were made in the Joint Committee report and that subsequently underpinned the joint resolutions of both Houses and the legislation.

We are now testing whether any of those assumptions have changed so significantly that it would warrant a change to our strategy because fundamentally that work was done quite a number of years ago. Obviously, we have the covid situation at the moment, but life has moved on since that work was completed and it is important that we, as the two organisations charged with leading this programme, test whether anything has changed before we finally move on to completing our business case.

We are looking at a range of options, from full decant to partial decant or a rolling programme of works. You referred to the letter that David and I received from the Prime Minister last week. We are clear that we take our instructions from Parliament, so we have written to the Speakers of both Houses seeking their views on the content of that letter. We are clear that we cannot start a course of action without an instruction from both Houses.

At this point, before we go too far down a particular route, we are reflecting that the assumptions remain valid and that we are going to deliver R&R in a way that represents the best value for money.

Q8 **Peter Grant:** In relation to what actually happens within the Palace of



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Westminster once everybody moves out, what is still to be decided? For example, are you now fixed on replacing the Chamber and Lobbies exactly as they are just now, or is that still up for discussion?

Sarah Johnson: All of that work will be done as part of the outline business case that we are currently developing. While the review is ongoing, we are also continuing in parallel with the options development work that will underpin that business case. Fundamentally, we are reviewing all those options at this point in time, to help inform the business case, which will then be presented first to the Sponsor Board and then to both Houses for ultimate decision making.

Q9 **Peter Grant:** You will be aware from your experience at HS2—and that the Committee and the NAO have reported on it—that one reason for the significant increase in costs was that the specification kept getting changed part way through the project. What additional steps have been taken to make sure that does not happen this time, given that we are talking about £4 billion or more as it is? How are you going to make sure that it does not increase to £10 billion, £15 billion or £20 billion by the time it is finished?

Sarah Johnson: The first thing to say is that the figure of £4 billion was produced in the initial options appraisal, so it was never envisaged to be a formal cost estimate or funding envelope for restoration and renewal; that is something we will prepare as part of the outline business case. Once we have an outline business case that is accepted by both Houses, that is essentially the baseline for the programme and what we will manage and scope against as we go forward.

One of the things that we are yet to do, and something we need to do over the next few months or so, is develop a formal process by which any potential changes that are suggested once that baseline is in place can be properly assessed and analysed before they are included or excluded from the scheme. We must control the scope on the programme, because otherwise it is a major risk to delivering within the funding envelope that we will agree with both Houses.

Q10 **Peter Grant:** Another significant issue that the Committee has found in relation to a lot of major capital programmes, including HS2, has been an understandable desire, once things have started, to see the job through. At the points that are built into the programme where there should be a “stand back” critical evaluation of whether it is still worth going ahead, everybody is so committed to the programme that, for example, with HS2 cost savings were brought in to keep within budget that were never going to be achievable. We found the same in some major MoD contracts. That is not just about the structures and processes; that is about the culture. What are you going to do to make sure that the culture this time is very different from HS2 and from the culture that we have found in the MoD within the last year or so?

Sarah Johnson: Interestingly, that is partly why we have commissioned the review that we have in place at the moment, so that David and I can assure ourselves, in particular, that the strategy that we take forward is

best placed to deliver value for money. In terms of culture, one of the things that we have done in the formal agreement that rests between the Sponsor Body and the Delivery Authority is to include right at the front of that agreement some clear commitment to collaborative behaviours, trusting each other and being open and honest.

Fundamentally, that starts with David and I being clear that those are the sorts of behaviours that we expect, and demonstrating leadership to our teams that that is how we want this programme to move forward. Fundamentally, the Sponsor Body and the Delivery Authority are two sides of the same circle. We are here for the same reasons, and while we are very clear on our roles and responsibilities, we are also very clear that the only way we are going to successfully deliver this is together. David may want to comment on that.

David Goldstone: Sarah and I are in completely the same place on this and on the need to work collaboratively. All our joint learning, as our answer to the first question reflected, is that that is the best way forward. The only thing that I would add is that, looking beyond the working between us, the other principle that can really help us is a high level of transparency about how we report to the key stakeholders such as yourselves, parliamentary authorities and bodies, and the wider public, who will have an interest in this. We must keep a spirit of being open and reporting in a transparent way, so that the issues that you are concerned about are visible and people can see what is happening in the programme.

As an example, in the years leading up to the 2012 Games we published a quarterly report that provided full information on progress on the works, budget position and funding, and was very transparent. We all in this programme feel like we could do something similar. There is already a regime of reporting into the Houses and Commissions, but I think we could expand that, and I think we feel that, once we have a baseline, that sort of progress reporting would help to address the concerns that you are describing.

Q11 Peter Grant: Thank you. I want to come back to you, Sarah. Sorry—I hope you do not mind my using first names; it is just the way that I do things and I hope that no one will be offended by it. You mentioned that the £4 billion is not an official figure, although it does appear over and over again in official and official-looking documents. Can you expand on that? Have you been given a figure above which you have been told, “Don’t bother coming back with that figure; it’s too much,” or have any limits been put on to the scope of the work that you might be suggesting in the business case?

Sarah Johnson: No, we have not been given an upper limit, and actually I think that would be the wrong way to approach a programme like this. We need to develop the options as part of the business case. There will be a range of options in the outline business case, including a “do minimum” option. The right way to set a funding envelope for such a scheme is to base it on the evidence through a proper business case process.



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Having said that, I am very clear that we need to deliver value for money through this programme, and I am also very clear about the environment that we all find ourselves in at the moment, with the pressure on the economy. We have heard messages from a number of people that there is no blank cheque for this scheme, but it is my duty to develop an evidence-based business case on which both Houses can then make decisions.

- Q12 **Peter Grant:** As well as the different public attitude to spending vast amounts of money as a result of the impact of covid, there have obviously been delays to the work that a lot of people are doing. Are you still confident about delivering the business case by the original target date? Related to that, do you have a date in mind just now by which you would expect the fully restored Palace of Westminster to be open again for business?

Sarah Johnson: I will take your last question first, if I may, and the answer to that at the moment is no—I don't have a date when I expect the fully restored Palace to be open for business again. That is something that will come through the business case.

In terms of the development of the business case—and I know a number of dates have been quoted for that in the past—when the National Audit Office was doing its work our plan was to bring forward the outline business case to the Sponsor Body in the autumn of 2021, and then to Parliament in 2022. As I sit here today, we have faced some delay as a result of covid, because we have had to stand down some quite important survey activities. We have also deferred some of our design work that needs to take a feed from that survey work.

Therefore, as I sit here today, I don't expect the business case to be presented to the Sponsor Body in the autumn of 2021. It is more likely to be in the early part of 2022. That said, we would still very much like to target bringing the outline business case to Parliament in 2022, subject of course to the outcome of our current review.

- Q13 **Peter Grant:** I one final question for you, Sarah, but I will ask the other witnesses to come in afterwards if they want to. It is eight years since Parliament agreed to go ahead with the programme. At the moment, we don't know what is going to be done. We don't know what it is going to cost. We don't really know when it is going to start and we have no idea when it is going to finish. Why has it taken eight years to get to the point where most members of the public would look and say that nothing much seems to have happened?

Sarah Johnson: I think it is quite difficult for me to comment on the whole eight years. I have been in post just over eight months, and I am dealing with what was in front of me as I arrived, so I think it is probably better for some of the other witnesses to comment on that.

Chair: Dr Bengier?

Dr Bengier: Parliament is a very complicated place to make decisions, as members of this Committee know very well. I think it is fair to say that the

work leading up to the Joint Committee report was the key watershed in terms of evidence gathering, and the production of the independent options appraisal; but then these are decisions that politicians have had to take. You passed a resolution in 2018 setting out a way forward, and I think since then you can point to a lot of important preliminary activity now, to deliver restoration and renewal, with the creation of the Sponsor Body and Delivery Authority, and the passing of the relevant Act of Parliament.

Q14 Peter Grant: Thank you. I don't know if any of the other witnesses want to come in here.

David Goldstone: Obviously, I am no better placed than Sarah to comment on what has happened over the last eight years, having been here not quite three weeks. But I think what is clear, and maybe it is worth bearing in mind, is that when we have talked about the importance of the business case, this is quite a complicated undertaking to produce and then get decisions on.

Obviously, it is going to address the Palace itself; if there are decants to decant locations, all the heritage and archive requirements; and there is this connection—to move to part of the Northern Estate. For that, to have a proper business case we have got to work out the scope, the schedule, a projected cost and all the risk around that, and a funding envelope. I think it is quite a complicated undertaking. It needs to address the management arrangements as well as the financial and economic, and that is where we will address things like change control and interfaces.

So I think we are trying to bring together a really comprehensive business case that will address all those points. That is the work that Sarah and I, and our teams, are now embarked on and committed to and, as Sarah said, expecting to bring forward to the Houses in 2022.

Q15 Peter Grant: Could I pick up on that point, first with Mr Goldstone and then with Sarah Johnson afterwards? Realistically, how many different options will you be able to work up and present to Parliament, or are we simply going to be given one option and told we can take it or leave it?

David Goldstone: In the way the work is being taken forward at the moment, there are lots of aspects to the programme, and lots of components: levels of accessibility and sustainability, all the fire risks, the asbestos—all the aspects that you know we are looking at. Effectively, we are bringing forward a range of options in each of those different individual elements and discussing them with the Sponsor Board, including the parliamentary representation. Those will go into the engagement and discussions with the sponsor team.

The idea is that by the time we get to the business case, those conversations and that engagement have progressed the options. We are effectively looking at all the elements and bringing them together into a full number of options—I do not know exactly how many—that can be put forward, and that will have a range of solutions and a range of financial and time consequences. That will be where the trade-offs are. There will



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be trade-offs relating to whether we do the minimum to have a working Parliament, or whether we really improve things and address the fundamental issues to put it on a more sustainable footing in the long term.

We are absolutely committed to bringing a small number of coherent options together, but that will be on the basis of the work over the next 18 months or so looking at all the different elements, with a range of choices for each. I hope that makes sense. Sarah may want to add to that.

Sarah Johnson: I have nothing to add.

Peter Grant: I will leave it there, Chair; I know other members of the Committee want to ask questions.

- Q16 **Chair:** I want to come back to Mr Goldstone and Ms Johnson on that point. We look at big projects a lot, and if you do not have a very clear plan at the outset, it is hard to get a good business case. Mr Goldstone, you are still talking as though there were very many options on the table; it was not quite clear. I can understand the difference between doing the minimum—the health and safety work and the mechanicals—doing works with some improvements, which you also mentioned, and significantly expanding the facilities. Are you also going back to look at all the options that the Joint Committee looked at? It did a lot of thorough work and came up with a clear proposal that Parliament voted on. I wonder what you are going to reopen up.

David Goldstone: To clarify, as Sarah Johnson said, it is the big questions about full or partial decant and so on that the strategic review is addressing now, and our intention is for those questions to be closed off this autumn. That will enable us to continue with, and develop into a final form, a business case that reflects that strategic direction. I was describing how, in the meantime, we will try to narrow down the options within the different elements, so that we can bring a small number of options to you at the end, within an agreed solution that has come out of the strategic review.

Chair: Ms Johnson, do you have anything to add?

Sarah Johnson: No, thank you.

Chair: We will be covering a lot of this in the report, anyway. Sir Geoffrey Clifton-Brown.

- Q17 **Sir Geoffrey Clifton-Brown:** Ian Ailles, you and I have discussed these issues over many years on the Finance and Services Committee. I want to be very clear about the role of the parliamentary estates team with regard to the Palace of Westminster until the Sponsor Body takes that over. It seems to me that things such as the cast iron roofs project, and the vast amount of scaffolding that we have, mainly because of masonry problems—those issues of repair and maintenance—can surely go on irrespective of what happens to the R&R project.



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Ian Ailles: Absolutely. You heard from Dr John Benger and Ed Ollard about the responsibilities; it is our responsibility, and I guess I am charged with delivering that responsibility to keep the Palace a safe working environment, and to continue to maintain and work on it. You cited the cast-iron roofs; they are major structural programmes—that one is more than £100 million, and has been running for eight years. There are a number of other substantial projects that we are running on the Palace to keep it in good condition; we continue to work on making it watertight where we have had issues with water, and on improving it. Other examples that I can cite are the fire safety life works, and some of our medium-term mechanical and engineering projects.

We have already developed structures with the Sponsor Body and Delivery Authority to be really clear about projects that I would say would lie between the role of the two Houses in maintaining and repairing the Palace, and what might go into the scope of R&R. The bronze windows would be a very good example. The Palace of Westminster has 4,000 bronze windows. We know that they need repair and upgrading. We know that is a project that could take a long time, and it is very focused on the exterior. We have that and a number of other projects, and we are actively working with the Sponsor Body and Delivery Authority on where the scope of those projects works and where might it be best done. It may be that there is an imperative for some things to be started before R&R takes place, and therefore we do that in collaboration with the Sponsor Body and Delivery Authority. It may be that there are some where we say, “Actually, that is still safe to run as is until the Sponsor Body comes in.”

- Q18 **Sir Geoffrey Clifton-Brown:** Ian, that is really helpful. Can I ask you one brief question, as we are fairly tight for time? Can the Committee be absolutely assured that you are liaising very closely with the Sponsor Body on all the major decisions you are making on repairs and maintenance, so that there is no nugatory expenditure—that is, no things that you are doing now that might have to be undone when the Sponsor Body takes over?

Ian Ailles: Absolutely. There are a number of formal and informal arrangements. Sarah Johnson mentioned the challenge of some of her surveys having been delayed. We have something that is called an intrusive works working group, which all of us feed into to ensure that you parliamentarians are not randomly disrupted by different surveys. We work together even at that initial point of contact.

- Q19 **Sir Geoffrey Clifton-Brown:** Thank you, Ian; that is very helpful. Sarah Johnson, I do not think that the strategic review was originally envisaged in the Act of Parliament. Who set up its terms of reference?

Sarah Johnson: The terms of reference were agreed by the Sponsor Board.

- Q20 **Sir Geoffrey Clifton-Brown:** And was it the Sponsor Board that signed them off, or who signed them off?

Sarah Johnson: The Sponsor Board signed off the terms of reference.



- Q21 Sir Geoffrey Clifton-Brown:** Can we ask what is in the review? Does it start from a completely blank piece of paper, so that anything can be covered? Or can you narrow it down for us?

Sarah Johnson: Yes, of course. As I said earlier, we have the current strategy for delivering R&R, which was the basis of the joint committee and underpins the legislation. The terms of reference are saying, "Let's look back at the assumptions that underpinned those decisions, some of which were made quite some time ago, and let us consider whether anything has changed, either politically, economically or environmentally, that would require us to fundamentally revisit those assumptions and take either a slightly different or a more fundamental approach to R&R." What we are not seeking to do is redo all the really good work done to date. This is for us to test, before we go too far down a particular path, whether those assumptions remain valid, and that the strategy for delivering R&R, which will underpin the outlined business case that we have spoken about, remains best value for money.

- Q22 Sir Geoffrey Clifton-Brown:** Can we take it, therefore, that the review will come up with some very clear, costed alternatives?

Sarah Johnson: What the review is not seeking to do is the work of the outline business case. That is a very significant piece of work. We are looking at some cost indicators as part of the review, in order to underpin our recommendations, but I think it is very important to manage expectations; we are not seeking to replicate the work of the business case.

- Q23 Sir Geoffrey Clifton-Brown:** Can you tell us, not in detail what it is going to come up with, but whether the work is on time, and whether you will therefore produce this review in October? Are you confident about that?

Sarah Johnson: Yes.

- Q24 Sir Geoffrey Clifton-Brown:** That is very good. Can you tell us whether you are completely independent in this review? In other words, are you in any way taking into account the letter from the Prime Minister, or the challenge panel that has been set up? Are you completely independent of all that?

Sarah Johnson: As I said, we have written to both Speakers off the back of the letter from the Prime Minister. We are a parliamentary project, so it is for both Houses to instruct us. The challenge panel that you referred to, which we have set up as part of the review, is something that has been used in reviews of other major projects. It is effectively a mechanism for us to test ideas, to mitigate the risk of group-think among those of us who are slightly more involved in the detail, and to get some different views as we move through the review process. Fundamentally, we will have to take the recommendations from the review to both Houses, either for formal approval or for noting, depending on what those recommendations are. David may want to comment, but David and I feel very empowered to conduct the review.



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- Q25 **Sir Geoffrey Clifton-Brown:** Can I be clear? You said earlier that you had some delay because of covid—in terms of surveys and so on—but you are on track to produce an outline business case at the beginning of 2022, and you are therefore on track to provide, in accordance with the Act, the definitive costing alternatives for Parliament to make a decision sometime later in 2022.

Sarah Johnson: Yes. I just want to be clear that when the NAO produced their report, we were aiming for the business case to come to the Sponsor Body in the autumn of 2021. That has been delayed.

- Q26 **Chair:** Sorry, Ms Johnson; I am going to chip in for the benefit of people who may not be aware that the National Audit Office Report was in April. The fieldwork for it was done before covid and lockdown, so we recognise that things have changed since then, as you were saying. It was produced on 24 April from fieldwork done earlier than that. Back to you, Ms Johnson—sorry to interrupt.

Sarah Johnson: Thank you. I just do not want to mislead anybody. When the fieldwork was done, it was planned for autumn 2021. We have had some delays—largely, as I say, from not being able to do some of the really important survey work. We still hope to bring it to both Houses in 2022, but the submission to the Sponsor Body is now likely to be early 2022, not the back end of 2021.

- Q27 **Sir Geoffrey Clifton-Brown:** And that information will be sufficient for Parliament to make a decision in 2022.

Sarah Johnson: I very much hope so.

- Q28 **Sir Geoffrey Clifton-Brown:** Do you now have the resources, and hence the staff, that you need to do that really large and important task?

Sarah Johnson: David may want to comment on that as well, having just joined his organisation. I have been through a process over the last few months of enhancing the capability within the Sponsor Body organisation, and we are just completing some final pieces of recruitment. From the autumn, I will feel very confident that, within the Sponsor Body, I have the capability to do that task, and to do it the justice that it deserves. Perhaps David wants to comment on the Delivery Authority.

David Goldstone: I suppose the bulk of the resources for delivering the work for the business case is within the Delivery Authority. As you know, and as was said earlier, we only become substantively established a couple of months ago. At the moment, a lot of the resource is contracted. There are interim and agency staff. Some we have inherited, and some have been transferred from the Houses. We have the resources that we need to keep doing the work, so I am not saying there is a risk to that today. What we are trying to do is establish the Delivery Authority as a strong, professional, project delivery body, with a much more substantial employed staff; resourcing had been on a rather fragile basis until the Delivery Authority became substantive. That is the work we are on now.



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I am actively recruiting a senior leadership team and making sure we have the right capacity, not only to deliver the work of the business case, but to take it forward and deliver the agreed programme of work. That is what we are doing now. We have the resources to do the business casework, but it is not on the substantive organisational basis that we would want, going forward. That is the work we are now embarked on.

At the start of your question, you asked about independence in the review. Can I respond to that? I don't think it was addressed. I just wanted to say that Sarah and I are completely impartial in doing this work. Our role and responsibility is to come up with the best value-for-money solution to meet what Parliament wants, and then to deliver that. Final decisions about locations and decants and so on will all be for the Houses. We are just doing the work to try to help get a decision and clarity of overall direction, and to then reflect that in a business case. I hope there is not any question of our independence in doing that.

- Q29 **Sir Geoffrey Clifton-Brown:** Sticking with you, David, if I may, from all your previous experience, once Parliament gives you a decision in 2022, are you reasonably confident that you will be able to get on with the job and produce it reasonably well, on time and on budget?

David Goldstone: Yes, and the key for me, as I said in answer to the very first question on the lessons learned, is setting that realistic baseline that aligns the work to do with the budget and the schedule. It is our obligation to produce the detail for that, and if we do that properly, which I am confident we will, I would be confident that we would deliver it.

- Q30 **Sir Geoffrey Clifton-Brown:** Sarah, you are basically an intermediary between Parliament and the Delivery Authority—David. Are you going to set up clear protocols once Parliament has made a decision, to stop it continually interfering and changing its mind? Otherwise, delivery of the project will be much more difficult.

Sarah Johnson: Yes, absolutely. It will be really important that we have a very clear and structured process between Parliament and the Sponsor Body to manage and control even any suggestion of change to the scope. We will have to be disciplined in managing that process, and very clear on the potential consequences of any change to the scope agreed in the baseline, because as you rightly say, that is one of the major risks to programmes of this nature.

- Q31 **Sir Geoffrey Clifton-Brown:** One thing we can do, although you will obviously have your own internal auditors, is write into the Act that the NAO has a formal role in all this. Comptroller and Auditor General, what exactly is your role in this, in terms of auditing? How frequently will you produce reports? Will you go slightly wider—bearing in mind that we have this fantastic resource that really belongs to Parliament—in producing any sort of value-for-money advice?

Gareth Davies: Thank you, Sir Geoffrey. As you said, the legislation to set up the Sponsor Body and Delivery Authority provides for audit access for the NAO and my teams. We are the auditor of the accounts for both



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organisations, and we have the same value-for-money access that applies across our work for Government Departments and other public bodies. As you have seen with this first piece of work that the Committee is considering today, we are determined to use that access to add value to the work of the Committee and also of the Sponsor Body and Delivery Authority, by bringing to bear our knowledge of the risks of major projects from other work we have done.

We will also report in a timely basis, so that those lessons can be applied in practice. We intend to report on the R&R programme at every key stage. At the moment, we think that means roughly every two years for substantial pieces of work like this, but obviously I will vary that, bringing work forward if necessary to be useful, and pushing it back if that is going to be more valuable. Each piece of work that we do will be published, and obviously available to the Committee, in the normal way.

- Q32 **Sir Geoffrey Clifton-Brown:** Thank you for that very helpful answer. Sarah, may I ask you one last question, please? I think Parliament can be greatly reassured by that response from the Comptroller and Auditor General that the money is being well spent. There is another thing that I am concerned about. I appreciate that both your organisations have a lot of experience, but will you be drawing on experience of the Infrastructure Projects Authority, which also has national, UK-wide experience of these very big projects, for its advice on how to carry this complicated and large project forward?

Sarah Johnson: Yes, we absolutely will; indeed, we have already done so. We have sought its advice on things like our project delivery agreement between the Sponsor Body and the Delivery Authority. We spent an afternoon with them at the beginning of the year going through their lessons learned from the sponsorship of major transport projects—an exercise to start embedding all those useful and valuable things in our structures from the outset.

David Goldstone: I agree with Sarah. Generally, the IPA reviews have been really helpful. I have been involved in them on both sides—reviewing and being reviewed—over a number of years. I always find them really valuable. I want to use that sort of assurance process as part of our overall assurance. To prove that, I add that we have brought Nick Smallwood, the chief executive of the IPA, into the challenge panel that is supporting the review going on at the moment. To me, that is the first step to showing that we embrace the IPA's input and want the value that they can bring from their wider learning.

- Q33 **Sir Geoffrey Clifton-Brown:** Is the composition of the challenge panel in the public domain?

Sarah Johnson: I do not think we have formally published it, but it is something that we could happily send to the Committee, if you would find that helpful.

- Q34 **Sir Geoffrey Clifton-Brown:** How were the participants chosen?



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Sarah Johnson: We went through a process of thinking about who ought to be represented, so we wrote to both Speakers and both Leaders asking them to either attend or send representatives. We also thought about a wider cast, so we have two genuinely independent members of that panel, as well as, as David said, people such as the chief executive of the IPA. As I said, I will happily send the Committee a list if that would be helpful.

Q35 **Chair:** Can you not name them now? It would help us to frame our questions if you could tell us who they are.

Sarah Johnson: The independent members are Sir David Higgins and Paul Lewis. As we have said, there is the chief executive of the IPA. Both Leaders have said that they will attend in person. We have Sir Eddie Lister—

Chair: For those who are listening, who perhaps do not understand, when you say both Leaders, you do not mean leaders of political parties, but the Leader of the House of Commons and the Leader of the Lords.

Sarah Johnson: Yes, thank you. We have representatives of the Speaker of the House of Commons and the Speaker of the House of Lords. Ian Ailles was represented by Isabel Coman.

David Goldstone: And Cat Little, the DG of public spending in the Treasury.

Q36 **Chair:** From what we have seen of it, and what you have told me now, it is not very politically balanced. The House tends to work best when it works cross-party, as this Committee hopefully demonstrates. Have you thought about the political balance, and making sure that you are stitching Members from all parties into the discussions?

Sarah Johnson: The representative of the Lords Speaker is a Labour peer, but we have had that feedback previously, and it is something that we are reflecting on.

Q37 **Chair:** So you have set up a challenge panel without having thought about that beforehand. I am a bit puzzled. You are fairly new to the House, but with the people around you advising, I would have thought that it would have been an obvious thing to have thought of earlier.

Sarah Johnson: We were trying to strike a balance by involving the key offices of both Houses, as well as getting some independent members. I note the comment.

David Goldstone: Can I just add that it is not a decision-making forum? It is just challenging our thinking, so we were trying to make sure that we had input from people who would add value in terms of the process of the review and the content, rather than it being a political forum, or one that would make any final decisions. The recommendations will absolutely come back to the Commissions for decision.

Q38 **Chair:** I recognise that it is a challenge, and you cannot make it too big, but the work of the Joint Committee was cross-party across both Houses,



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and some of the best work in this House is done cross-party. I am not making a party political point; it is about making sure that everybody is brought to the table. It saves problems later, in my experience.

I want to go back, Mr Goldstone, to something that you said. You are obviously talking to the Sponsor Body about the review, but it is the Sponsor Body's review. You said—I am not quoting directly, so forgive me if my paraphrasing is slightly off—that the review should close off some big issues. What mechanisms will you use to make sure that you finalise those issues? That is to you first, and then to Ms Johnson.

There is a danger that some people will want to reopen old debates, so that is one challenge; you cannot work everything up. Also, once you have made a decision, how are you going to stitch that in so that, as Sir Geoffrey highlighted at the beginning, we do not have an attempt after every general election to get Members changing their minds over and over again? I will go to you first, Mr Goldstone, as you raised the point, and then to Sarah Johnson.

David Goldstone: Thank you. It is probably worth saying that Sarah and I are jointly leading the work; it is a joint exercise between the Delivery Authority and the Sponsor Body.

To answer your question, it is because we will make recommendations that will come to the Commissions. Depending on what those recommendations are and where they need to go, it will be for the Houses to decide how they support, agree with or disagree with those recommendations, and therefore capture them into decisions. The decisions will be with the Houses; we will only be making recommendations. Then, as we have said earlier, the key point is to capture that agreed direction into a business case that can be formally approved, with all the aspects I referred to earlier. At that point, we then have an approved programme of work to deliver.

The change control is important. I suppose there will always be changes in membership of the Houses, particularly at elections, but if we have an agreed baseline and a change control, we can manage that. Just from a project delivery point of view, although I understand that politicians may want to make changes and there will be changes in requirements over time, those things always have time and cost impacts; they are never consequence-free. But obviously it is the right of the parliamentary leadership to decide if that is what it wants.

Chair: Ms Johnson, on the same point.

Sarah Johnson: I agree with everything that David has said.

Q39 **Chair:** Just to be clear, because you answered some of this with Sir Geoffrey, the review is obviously looking—we have seen the terms of reference, so I do not need to repeat all that, but the House did come to a clear decision about next steps. In the period of the review, are you going to be narrowing down, or are you going to open up options that mean you have to work up more than one business case? I am a little bit puzzled that it still seems there is a window for you to open up options—



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to work up more than one option—which, based on the major projects that we look at regularly, is quite an expensive way of doing it. Can you just be clear about what exactly you are expecting from the review when it comes out in the autumn? How far will you be narrowing down?

Sarah Johnson: Yes, of course. Effectively, the culmination of the review will be narrowing down to a single approach to restoration and renewal, which we will then work up into the outline business case for restoration and renewal. The point that David was making earlier was that the outline business case that we will bring forward will include a range of options for consideration—effectively, a do minimum option, and then some variants on that—as is normal in a business case process.

Q40 **Chair:** The House has so far made two points of decision. The Joint Committee came up with a proposal and suggested full decant as the option that was likely to be the cheapest, safest and most efficient in terms of time. There was then a vote of the House on that in January 2018, two and a half years ago now. Presumably what you are doing is working up that option, but with a do minimum option, a slightly enhanced option, and then a much more enhanced option. Is that where the review is going?

Sarah Johnson: The review is looking at whether, based on the position that we find ourselves in today, the full decant is still the right course of action. The review will close off that particular discussion from our perspective, and we will then move forward to develop the business case for R&R with that finally closed off.

Q41 **Chair:** You mean finally decided which we are going to do? The House has decided twice: we have come up with one report and then made a decision. That is what I am puzzled about. Are you reopening that discussion, just to be clear, and perhaps in single-syllable words?

Sarah Johnson: Yes. We are testing whether the assumptions that underpinned that decision remain valid for today.

Q42 **Chair:** Can I then turn to the Clerks? Have you considered how Parliament can consider the review's options in a way that closes off further discussion? At the rate we are going, it will probably be your successors who have to deal with this. Can I go to Dr Bengier first, and then Ed Ollard?

Dr Bengier: I think it is important to recognise that the Act that Parliament passed—which was, if you like, the third decision point, in October 2019—has in it the mechanisms by which Parliament ultimately makes the choices around the business case and any very significant later variations. One of the things that Parliament has done along the way—we have talked about what a long and tortuous journey it has been—is to acknowledge that at some stage it has to let go of this process and let people get on with the work. Equally, it must retain the right to review it if there is a very significant variation.

Those processes are baked into section 7 of the Act, both the acceptance of the business case, which is that huge piece of work that follows on, and



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the acceptance of the budget for the programme, then only for significant variations thereafter. I think Parliament acknowledged its temptation to interfere and poke its nose in, which is after all what happened in the 19th century, as I think is fairly well known.

We are about to celebrate the 150th anniversary of the reopening of Parliament after the great fire. The fire was in 1834, and the formal reopening was in 1870, so we have a fair way to go to emulate the slowness of our predecessors, but I think that Parliament acknowledges that it cannot endlessly interfere in this project.

Q43 Chair: What about their lordships, Mr Ollard?

Ed Ollard: I totally concur with John. The whole aim of the architecture that concluded with the Act was to enable Parliament to let go and to establish the client, which is the Sponsor Body, to act on its behalf. Having said that, it requires Parliament to adhere to the discipline as well. Sir Geoffrey was earlier challenging Sarah to put in place protocols and mechanisms to ensure that the Sponsor did not deviate, but it is also incumbent on both Houses to apply the machinery as it has been intended. That is why it is there: it is an effort to enable the structures that we have established to take forward the work on our behalf.

Q44 Chair: I am interested, Ms Johnson, that you decided to set up a review. At the beginning of what you said, I thought you had narrowed it down to working up options on the basis of what Parliament has already decided, but from what you are saying, you are actually opening up that whole discussion again. Have you thought about the complexities of this? It could just end up with us going around the same old loop all over again, tempting Members of both Houses to get involved and muddy the waters of your work. You were set up with a clear focus, so it is interesting that you are revisiting some of those earlier decisions.

Sarah Johnson: Yes. I think David wants to come in on this. The National Audit Office Report contained a specific recommendation on plans being regularly reviewed. I want to be clear that as part of the review we do not seek to undermine the previous work. In effect, we are looking at whether any of the assumptions made during the course of that work have changed, for example different ways of working—we are all working quite differently at the moment—and whether in particular that would allow us to look slightly differently at the solutions for the two decamp locations. We are testing all those things before we move on to develop the business case. David wants to comment as well.

David Goldstone: I wanted to add that the context of that whole discussion was about the decisions that have already been made, including the Joint Committee. I think it is worth recalling that the Joint Committee said specifically that, once the organisations were established, we should test and validate the decisions and recommendations made at that time. Sarah and I believe that we are doing what the Joint Committee said we should do—to test and validate those decisions. Obviously, a number of years has gone by and, as well as the obvious changes to our working



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arrangements at the moment, the political landscape has changed and the economic landscape has changed. There are good reasons for validating and testing in the way that Sarah described. But it is exactly what the Joint Committee said we should do.

- Q45 **Chair:** I will bring in Sir Bernard Jenkin in a moment, but I have one last question, to Ms Johnson first. How long will it be between when you have the business case agreement and when you expect work to start? Can you give us an approximate window of time? That will give us an idea of how long it will be before the disruption really kicks off.

Sarah Johnson: I cannot give even an approximation because I wouldn't want to mislead anybody. Fundamentally, that is the purpose of putting the business case together.

- Q46 **Chair:** It would be at least a couple of years from the business case to work starting, just practically moving out of the building, for instance.

Sarah Johnson: Indeed. I would expect at least a couple of years.

David Goldstone: If you mean work to the Palace structure, because obviously work on decant locations and those sorts of things are ongoing.

Chair: Yes, I meant when the building will either close or be reconfigured. That would be at least a couple of years—realistically 2024 at the earliest, on the timeframe. I will go to Sir Bernard Jenkin, and then I know Sir Geoffrey Clifton-Brown wanted to come back in briefly, as did Gagan Mohindra, so if they could be on alert. Over to you, Sir Bernard.

- Q47 **Sir Bernard Jenkin:** Thank you very much. I want to talk principally about identifying and managing risks. It seems to me that testing the assumptions upon which the House made the decision to decant is an essential part of testing and evaluating these processes.

Chair: Sir Bernard, could you lean into your microphone? You are a little faint, which is unusual for you.

Sir Bernard Jenkin: That is unusual for me.

Chair: Yes exactly. If you could lean in and speak up a bit that would be very helpful.

Sir Bernard Jenkin: Okay. What have you learned from the experience of previous projects about how to manage risk?

Sarah Johnson: Sorry, was that a question for me?

Sir Bernard Jenkin: By all means, yes. You are doing very well, by the way, so keep going.

Sarah Johnson: Thank you. There are a number of things and, again, David may want to comment. It is important to have a clearly defined strategy for managing both risk and opportunity and, flowing from that, to have clear processes by which risks are regularly reviewed, mitigations to those risks are reviewed, and appropriate actions taken as the risk profile changes.



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As well as the formal monthly process, it is important to take the time to stand back and reflect, perhaps on a quarterly basis, whether anything has fundamentally changed, whether the information that you are working with remains the best information and having that “look up and reflect” point, particularly around a major project or programme change.

Going back to being open and honest, the other element for me is about being open and honest with yourself and your teams, about the true status of some of those risks and opportunities. Finally, it is having an appropriate mechanism to capture the potential impact of those risks in any contingency funding that is part of a programme. David may wish to add to that.

- Q48 **Sir Bernard Jenkin:** To dovetail with the previous set of questions, how does the review that you are conducting mitigate risk? It seems, to some people, that it adds to risk.

Sarah Johnson: I agree that you could see it both ways, but the key piece for us is about the risk that too many factors, pieces of information and assumptions have changed during the course of the last four to five years, such that, without conducting a review or having that pause and reflect moment, we would end up delivering something that would not deliver the best value for money. That is one of the principal reasons why we have instigated the review.

- Q49 **Sir Bernard Jenkin:** Mr Ailles, what do you think we have learnt from the Elizabeth Tower project that is transferable to the R&R programme?

Ian Ailles: I think we have learnt many things. We are working with the Sponsor Board to ensure that those are properly transferred, and not only noted but learned and put into practice. We have talked about survey work a lot today, and about the importance of surveying earlier and harder, and doing the planning. I think one of the key things is working in an older building that is heavily used. That was certainly one of the challenges we had with the Elizabeth Tower and the constraints around the construction. That interplays with the opportunity to decant. The key thing I would point to is the exhaustive intrusive surveys before even coming to a full and final plan.

- Q50 **Sir Bernard Jenkin:** For example, the scaffolding question resulted in a dispute with the scaffolders, which Parliament lost, as I understand it, because the extra cost of the scaffolding was justified. What did we learn from that episode?

Ian Ailles: Effectively, we are working with contractors. In the specific example you are talking about, once we are all up at the top of a 96-metre tower that is 12 square metres, it is a case of understanding how the scaffolding can work in a certain way, given the constraints of the building that we uncover. Again, it is a matter of being on site and having those surveys.

- Q51 **Sir Bernard Jenkin:** Sarah Johnson, that brings us back to the uncertainties in the programme. The National Audit Office Report is full of



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lack of documentation, inherent unknowns and a whole lot of factors, which might be called unknown unknowns, that you will uncover. What key uncertainties have you uncovered so far that you cannot quantify?

Sarah Johnson: The biggest one at the moment is exactly what the status of the building is. As I said, we have had to defer some of our survey work because of the covid situation. The biggest risk at the moment is understanding what we will find when we take the building over. If we do not manage it in the right way, that will potentially add a huge amount of cost. David and I are committed to doing as much survey work as possible in advance to inform the important work of the business case.

The other risk for us—we have talked about this a little bit this morning—is around getting sufficient support from both Houses to move forward to progress this programme, to get the business case on which both Houses will make a decision. As we saw in the debate in the House of Commons last week, there are a range of views.

Q52 **Sir Bernard Jenkin:** We have talked a bit about client risk already. What does the client need to decide in order to reduce the risk of the project? There are lots of views about what additional facilities or changes to the structure of the building might be, but how will that be crystallised, or is that outside your scope and rather for the client to decide? How will that work?

Sarah Johnson: Our strategy for our business case includes what we have termed common elements. There are a range of common elements, such as the mechanical and electrical system for the Palace. We are working with our colleagues in both Houses to determine what the scope of that option should be, and we are preparing a range of different solutions that we could deliver as part of R&R. We are engaging with both Houses as we develop those options, such that there will be a clear view when we get to the business case that this is something that both Houses would like to see as part of R&R.

It is fair to say that we have a bit of work still to do in terms of that engagement process of really getting clear views. We are working on that. We are structuring it in a way that has discrete elements of the business case, so that we can narrow down the options as we go through the process. David may want to add something to that.

David Goldstone: The NAO Report talked about and recommended that, as we take this forward, we use a range of numbers, rather than fix on one number too early. I think that is, in large part, recognising the risks and uncertainties there will be at the time we commit, and I think having a base costing and then ranges, recognising levels of risk that can be quantified—for many of the risks we are talking about, you can come up with at least a range of potential quantification.

That the funding recognises that risk and uncertainty is, I think, one of the important ways we can start off on the right footing that will enable us to stay within the overall business case as we take the programme forward.



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So quantifying the risk and that being part of the ranges that the NAO recognises—*[Inaudible]*—part of the business case.

- Q53 **Sir Bernard Jenkin:** Fair point, but there is no point in going ahead with a project with a very large range of costs if part of that range of costs is because the client has not decided how they want to remodel the building.

David Goldstone: I totally agree.

Sir Bernard Jenkin: How is the remodelling of the building going to be crystallised into a definable project that you can then begin to cost?

David Goldstone: As Sarah said, the work that we are doing now on the different elements of a solution, looking at all the different systems and requirements, is to inform a business case that we will bring to Parliament for Parliament to sign off on. At that point we will have a clear scope that is agreed by the Houses to take forward. I think at that point, subject to any changes that are introduced subsequently, we will have an agreed scope and an agreed delivery programme, so I think it is the business case that crystallises that.

- Q54 **Sir Bernard Jenkin:** But that sounds mostly like the mechanical services end of it, or how many plugs and sockets we want; it is not about how courtyards are going to be remodelled, how the roadway through the centre of the Palace might become a series of courtyards with the roadway underneath, in the level below, or what kind of walkway at principal floor level might connect Portcullis House and the House of Commons. These are very big structural changes.

Perhaps this is more a question for the Sponsor Body and Sarah Johnson. If you want your Members of Parliament and peers to engage with you on this, haven't you got to actually present a series of options and perhaps have a competition to flesh out what options are feasible, so that we can actually make some choices? If you ask us to come up with these ideas, we will never arrive at a solution.

Sarah Johnson: That is exactly the process that we are going through. I just used the mechanical and electrical options paper as one example. We do also have other options papers, as part of our overall strategy, looking at things like the use of space within the Palace, education facilities and participation facilities. I completely agree with you that we should bring you evidence upon which to make decisions. We could say, "You could have x or y. Which one would you like?"

The other important thing to remember is that we are in the process of putting together an outline business case that will become the baseline for the scheme from which we will set the sponsor's requirements. We don't have to decide absolutely everything at that point. We need to be clear with colleagues in both Houses on what decisions need to be taken at a particular point in time and what decisions can come later within our overall framework.

- Q55 **Sir Bernard Jenkin:** This extraordinary building is a massive statement



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about our national democracy. How do we decide what kind of statement this should be making in the 21st century, when clearly it is a 19th-century expression that has been adapted for the 20th century, and it perhaps hasn't quite got into the 21st century? How do we generate that kind of conversation? Is that the responsibility of the Sponsor Body or is it above your pay grade?

Sarah Johnson: That is something that we would definitely welcome views on from both Houses. Fundamentally, I am here to oversee and deliver the building for you, but in terms of how it operates, that is really a matter for both Houses.

- Q56 **Sir Bernard Jenkin:** So these variables all exist and have not been crystallised, yet you are trying to work up costings and options. It sounds like an impossible job.

Sarah Johnson: It is part of the process to develop a business case to go through the different variables and narrow them down to a very small number of options for decision—as part of the business case. It is very important that we go through a robust process to analyse and assess the various things that we could deliver as part of R&R before we narrow them down, because another risk is narrowing down too quickly without undertaking proper engagement, such that people ultimately do not accept the final solution; that increases your risk of scope change.

- Q57 **Sir Bernard Jenkin:** How do you think that Parliament will respond to being given a large range of estimates, as opposed to a fixed price? I am afraid the political cultural disease is that as soon as we hear a number, we think that that is the budget, when big projects very often run over time and over budget because they are big and complicated.

Sarah Johnson: Again, referring back to the work done by the National Audit Office, there is a clear recommendation, which we wholly accept, that the Sponsor Body should develop ranges for things like cost and time. In order for us to be successful in landing those ranges, it is also incumbent on us to be really clear about why we set ranges at a particular point in the project's life cycle, and the trajectory through which those ranges will narrow as we continue with delivery of the programme. I am completely aware that at the point at which we present the business case, someone, or perhaps more than one person, is going to ask me, "Yes, but how much is it really going to cost?"

- Q58 **Sir Bernard Jenkin:** Moving on to the relationship between R&R and what else is going on in the building—this is picking up on Ian Ailles' point about managing the relationship between R&R and the estates teams—I cannot help feeling that that is another additional risk, because you have two players on the pitch basically with the same overall objective, which is to refurbish the building, but in two separately managed programmes. Wouldn't it be better to bring those two organisations into one body?

Sarah Johnson: I am sure that Ian will want to comment on this. You are right that it is a risk, but we have put in place mechanisms through which to manage those risks. Some of the activities that Ian is undertaking are



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quite different from what R&R will ultimately deliver. For example, we have developed collaboratively between our respective teams a level 1 schedule that includes on it all the various different projects that are happening on the estate at the moment and over the course of the next, I think, three to four years, and the risks associated with those various projects. It is something that we consider, again collaboratively, on a monthly basis, just to see whether anything has changed, and whether we need to take any particular course of action.

Some of the things that Ian needs to do now, the Sponsor Body and the Delivery Authority would not be best placed to deliver, because we are set up as a programme definition phase, not a programme delivery phase. That will come in due course with us, so there is a sort of capability piece there as well.

Ian Ailles: I endorse everything that Sarah said. There are also clear examples of where we have invested in something that is about the safety of the Palace now—for example, a sprinkler system in the basement, which will be useful in a period when R&R will be building as well, because we all know that buildings that are being rebuilt often have fire risks. That sprinkler system will be there not only for us today, but for the Sponsor Body going forward.

Sir Bernard Jenkin: But the NAO Report is very clear that a whole lot of very significantly costed projects—where the House of Lords moves to, where MPs move to and how the archives are dispersed from the Victoria Tower—and a very significant part of the R&R costs are actually outside the control of the R&R body that has been appointed to manage the cost. This is either a single project or it isn't. It seems to me that trying to compartmentalise is not necessarily going to get best value for money. What happens if the decant costs far more than expected, and the R&R gets tarred with the extra budget costs?

Chair: Who is that question to, Sir Bernard—Sarah Johnson?

Sir Bernard Jenkin: To anybody. The NAO Report is quite clear that there is a lack of integration in the governance and supervision of this vast project, because it is separated between two bodies.

Chair: I always understood that the Northern Estate would be coming under the Sponsor Body, Ms Johnson.

Sarah Johnson: There is a mechanism through which the Northern Estate could be transferred to the Sponsor Body; there is a mechanism in the Act that would allow that to happen, and that is something that we have said we will consider once the review has completed. We recognise that that there is a component of the Northern Estate—the Richmond House proposals—that is absolutely key to R&R, but that some of the other components of R&R are needed in any event, so we just need to make a proactive decision about whether some, all or none of that work comes across to the Sponsor Body.



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However, Sir Bernard is correct that things like the archive relocation programme do not fall within the remit of the Sponsor Body and do not fall within restoration and renewal, and represent an interface that we need to manage collectively between us.

Q59 **Sir Bernard Jenkin:** One of the lessons—

Chair: We need to move on shortly, so could you please finish up quickly?

Sir Bernard Jenkin: One of the lessons of the Crossrail project was managing the interfaces between a lot of intersecting projects, and at least that was under the one control of Crossrail. If time-critical projects interfere with each other, and you are not even in control of those time-critical projects, how is that not adding risk?

Sarah Johnson: I agree with you that an element of risk is added there. As we sit here today, those are the arrangements that we are faced with. It is incumbent on us to manage that risk collaboratively, and to be very clear with each other what the dependencies are, and work together on it.

Chair: Sir Bernard, could you finish up? Sir Geoffrey is going to come in on this in a moment, and I must bring in Gagan Mohindra. Last word.

Q60 **Sir Bernard Jenkin:** Could I just ask Ian Ailles and John Benger what challenges they face with the Northern Estate programme, and how they will address them?

Ian Ailles: Perhaps I can take that question initially. To endorse what Sarah Johnson has said, with the Northern Estate programme, we are very clear that there is a designation process to move the decant part of that programme into R&R, and that is subject to the two Commissions agreeing that designation process.

The Northern Estate is a refit of a number of buildings while a live Parliament is on, so it has all the challenges of a live building work within a Parliament. In some ways, that is no different from all of the other projects that we do within the estate. Those are the challenges, but we are working with those, and the project is on track. Derby Gate, which is the first building due off, is, subject to the delays of covid, running to schedule.

Sir Bernard Jenkin: Okay. I will leave it there.

Chair: Thank you very much, Sir Bernard. I will go to Gagan Mohindra very quickly, and then to Sir Geoffrey Clifton-Brown.

Q61 **Mr Mohindra:** My question is for Sarah Johnson. If the Sponsor Body asks for what is perceived as unreasonable money, who has the power to say no?

Sarah Johnson: There is a clear process outlined in the legislation by which the Sponsor Body requests funding from Parliament. Ultimately, both Houses of Parliament, via the estimates commission that is envisaged in the legislation, will have the approval rights on our funding requests.



- Q62 **Mr Mohindra:** Building on what Sir Bernard said, there is already significant client risk with this project, but there are also a lot of unknowns that the survey work will hopefully flesh out. What is to stop future politicians amending the scope or the eventual outcome of this significant piece of work, and how do you mitigate that?

Sarah Johnson: As I have said, once we have a clear baseline set through the business case, we will need to have a very clear and robust change control process by which we assess the implications of any proposed change, and should the assessment conclude with individuals or organisations wanting us to proceed with those changes, we will need to be very clear about the implications of those changes on, for example, our funding, and whether, in order to implement such changes, we will be provided with extra funding. It is a big, big lesson from other major programmes that incorporating change that was not part of the original baseline adds huge risk of not being able to deliver within your funding envelope.

Chair: Mr Mohindra, if you want to reflect on that, you can come back at the end, if we have time. There is a lot of reflect on, but time is not with us, as ever. Sir Geoffrey, over to you.

- Q63 **Sir Geoffrey Clifton-Brown:** Ms Johnson, I want to be really clear on this question. Can we be absolutely assured that, in your strategic review, you will not be leaned on by anybody, and that you will come up with options that will give the House of Commons and the House of Lords absolutely free opportunity to make their own decision on which of those options they wish to take?

Sarah Johnson: Yes, I can assure you that that is the case.

- Q64 **Sir Geoffrey Clifton-Brown:** Going through the process between the strategic review and your outline business case, you have already said today that you do not think you are there in terms of consultation. Bearing in mind that the Act of Parliament was only passed by a very small majority, it is important wherever possible to get buy-in from all the interested parties—Members of Parliament, peers, the thousands of staff who work in this place and the public. Can I suggest that you need to do a much wider piece of consultation work before you get to the outline business case?

Sarah Johnson: Yes, of course; it is one area that we need to improve on. I am very aware of that. We published in May our Member consultation strategy, as we were required to under the legislation. We have made some good progress on our engagement consultation with Members and staff of both Houses in the last few months, but I am aware this is an area that we need to do more on.

One of the things that we need to be really clear about where we undertake engagement or consultation exercises is how they feed into the process for preparing the business case, what are we doing with the feedback we receive and whether it is effectively asking for a steer on something or finally closing something off. I am very clear that we have



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made some good progress in the last few months, but we need to do more.

- Q65 **Sir Geoffrey Clifton-Brown:** It is not just MPs, peers and staff who work in this place; the other important constituent of this is the public. I do not see any consultation yet with the public. How do you intend to do that?

Sarah Johnson: I agree with you. We considered a draft public engagement strategy at the Sponsor Board at the end of June. The board asked us to reflect on a number of areas as part of that strategy; we are doing that over the summer, and we will bring it back in the autumn. It is quite important that when we do engage with the public, in talking about our narrative, it is very clear why we are here, and on which areas we seek the views of the public. It is very important to me that we get the structures and mechanisms really robustly right before we start any exercise, but I am very clear on the obligations on us under the Act.

- Q66 **Sir Geoffrey Clifton-Brown:** I could give you a dozen ideas now on what needs to be achieved by the project. When you have gathered all these ideas, how will decisions be made on which ideas are practical, whether they are cost-effective, and so on? Who is going to make those decisions? That is ultimately going to affect whether the client, Parliament, accepts the project and buys into it or not.

Sarah Johnson: As part of our business case process, we have clear decision-making criteria. We have factors that we assess as we develop the options. We will need to be clear on all those things throughout the process, but in particular when we bring the business case to both Houses for a decision.

- Q67 **Sir Geoffrey Clifton-Brown:** Finally, you have already told me that the strategic review is going to be completely unfettered in considering all options. Has the decision on the Northern Estate—the decision to effectively carry with the refurbishment and decant into Richmond House—in any way fettered what you are able to recommend, in terms of the R&R review?

Sarah Johnson: Ian might want to comment, but I do not believe it has, as I sit here today. Ian Ailles and I have had a number of discussions about this, and I welcome the fact that there is an opportunity to review the proposals, which I believe the House of Commons Commission agreed yesterday, in November, which is when we will have completed our review.

- Q68 **Sir Geoffrey Clifton-Brown:** But as I understand it, you will not have access to Richmond House for two to three years at the earliest because of the decant from the rest of the Northern Estate. Does that have an effect on the R&R programme, if you wanted to use Richmond House as a decant space?

Sarah Johnson: I don't believe that is the case. I think Ian is going to comment on that.



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Ian Ailles: Absolutely. It is as Sarah Johnson has recorded. We are looking at it as an option for decant space, but we have very clearly, in association with the Sponsor Body, identified a review point in November, which is the point at which we expect the strategic review from the Sponsor Board to be arriving at the Commission, so that we look at the two things together. We have not done anything irrevocable for the next two or three years in Richmond House.

Q69 **Sir Geoffrey Clifton-Brown:** Finally, David Goldstone, as a surveyor, the main lesson one can learn from the Elizabeth Tower is that the project was not properly scoped at the beginning. The unknown unknowns were not narrowed down. When you take the project over and you are given it to deliver, what are you going to do to make sure you reduce those unknown unknowns to as little as possible and properly scope the project?

David Goldstone: I think there are two things. There is the work that we are doing over the period from now to 2022, when the business case will come to you, on looking at all the options, and on the engagement on those choices around the M and E systems, which Sarah referred to, accessibility and how space is used. A lot of the uncertainty that we have today, which is reflected in the NAO Report, we hope to have narrowed down through the review, and through the options work on the business case over the next 18 months to two years.

There will undoubtedly still be, as you say, significant uncertainty at that point. That is why it is so important that we effectively set up a funding envelope and overall budget for this programme that reflects that risk and uncertainty—a budget that has ranges, so that there is provision against known risks, known unknowns and the unknown. Having a funding envelope that reflects that risk and has ranges, as the NAO recommended, will address the uncertainty that will still be present, even though we will have narrowed it down a lot by then. There is all the scope work going on now informing the business case, and then we have a funding package that reflects the inherent remaining risk.

Sir Geoffrey Clifton-Brown: Thank you.

Q70 **Mr Holden:** I would like to move on to staffing. Looking at figure 8 on page 23 of the Report, £60 million has been spent on the programme so far, and nothing has really started. How much of that has been on staffing to date?

Sarah Johnson: Just to be clear, the figure that has been spent on the programme to date is higher. It is £127 million. The figure in the National Audit Office Report included a forecast for the last financial year, and that is the outturn cost.

Q71 **Mr Holden:** What proportion, Ms Johnson, is on staffing so far? How much has been spent on people?

Sarah Johnson: I do not have an answer at my fingertips, but I would be happy to follow up separately.



Q72 Mr Holden: Would you say that the overwhelming majority of that will be on people?

Sarah Johnson: I would expect that to be the case, albeit that some of the people were brought in through our architects and delivery partners.

Q73 Mr Holden: I understand that. I have a question for Mr Goldstone. In figure 11 on page 29 of the Report, you mention that you are shifting. In earlier evidence—I think to Sir Geoffrey Clifton-Brown—you mentioned that you were trying to shift towards more permanent full-time staff in your delivery. The figures show that, although parliamentary staff numbers have increased, the number of consultants seems to be increasing at a far faster rate. Can you account for that?

David Goldstone: The figure that you are referring to in the NAO Report effectively covers the period before the Sponsor Board and Delivery Authority were substantive. It is a combination, as you say, of parliamentary staff, consultants and contractors, through the design team and the programme management team, that have been working on the programme.

I joined the programme at the beginning of this month, and we are now in the process of recruiting to establish a permanent staff to take this forward. My intention, absolutely, is to address and shift this balance. We need a well-resourced programme delivery team in the Delivery Authority. That has not existed before today. Effectively, the figures you are looking at are the period when a lot of the roles that will be done by staff were being done by consultants and contractors. We are recruiting, and we will establish that from the start.

Q74 Mr Holden: I must declare an interest: I was a special adviser in the House of Lords back in the period when the bodies were all being set up, from 2015 to 2016, so I have a bit of historical knowledge of this. Obviously, there is a lot of concern that a huge amount of money is being spent on this project, and people are dipping in and out of it. We want to nail things down, particularly now that you are saying we are moving from a consultant phase to a more permanent staff phase. Are there any critical vacancies that the Delivery Body—or, Ms Johnson, the Sponsor Body—are worried about?

David Goldstone: Today, yes. Very significantly. At the moment, there are relatively small handfuls of people employed in the organisation. We have transferred on secondment some of the staff who have been doing key roles and who are employed by both Houses, but I am actively recruiting a new senior team to the Delivery Authority, including a chief finance officer, a commercial lead and someone on the technology and digital side. Those are all critical for how we take forward the work over the next couple of years on the business case, and then take the programme forward. Putting this organisation on a proper, professionally resourced project delivery organisation footing is absolutely critical, but that is what we are now well on with doing.

Q75 Mr Holden: I will come back to you in a second, Mr Goldstone. Ms



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Johnson, could you please reflect on that as well?

Sarah Johnson: As I said earlier, we are at the final stages of recruitment for the Sponsor Body, so David has a slightly higher mountain to climb than I do; I have been in post slightly longer. Come the autumn, I am confident that I will have the right capability that I need for this point in the programme.

Q76 Mr Holden: Paragraph 2.12 on page 26 of the NAO Report, which feeds into the numbers in figure 11, says: "The Delivery Authority expects to have 214 staff on 1 May 2020, of which 126 will be consultants." Are you basically now saying to us that that is what you expected at the start of May, but you are now moving towards full-time positions?

David Goldstone: That was talking about the period we had just gone through.

Mr Holden: Exactly.

David Goldstone: This year, we are absolutely looking to recruit more permanent staff and therefore reduce the dependence on bought-in resource.

Q77 Mr Holden: How many people have you hired for the Delivery Authority, and what is the gap that you are looking at? We are all very concerned that this project is getting kicked back and back—it has been eight years since it started. Obviously, we are all very aware that Parliament is not an easy organisation to work with, because it has the ability to change its mind. Where are you in that, and has covid affected it?

David Goldstone: To assuage your concern, the key work that is going on to develop the business case and to support the immediate work on the strategic review is all coming on, other than—as we referred to earlier—the surveys, which have been affected by covid. The great bulk of our work has carried on through this period, and is being managed properly through the resource that you referred to, which the NAO described us as having in place.

On recruitment, I joined at the beginning of the month, and recruitment had started before I joined. I am in the process of filling the senior roles, and hope to have those in place in the autumn, and then we will fill out the rest of the organisation. This will be a task through a number of months. We are well on with that, but the immediate work is not at risk from or affected by that recruitment. We are getting it done through the resource that we have available. The only delayed aspect is, as we said earlier, the onsite surveys, where we are restricted due to the covid consequences.

Q78 Mr Holden: Mr Ollard, on the awareness and the links between the House of Lords at your end and then—on to Dr Benger—the Sponsor Body and the Delivery Authority, what would you say is the working situation at the moment? Are they aware of each other's existence, or are they roaming in two parallel and different organisations at the moment?



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Ed Ollard: We are very well aware of each other's existence; Sarah, John and I have regular meetings, even outwith the formal PRA, which is the document that governs the arrangements between us all. We work constantly through all the issues that the Committee has been discussing this morning. Governance is a really key thing, as Sarah said at the beginning, and our job is really to seek to act as the sherpas, as it were, in terms of helping the governance arrangements between the institutions to work properly. That is actually the biggest risk, as far as I am concerned, in the whole of this process.

Q79 **Mr Holden:** Yes, exactly. Regarding Members in the Lords, have you had introductions for the senior team and the Sponsor Body? Are they aware of the different relationships between them? Are you getting the buy-in that will be necessary for this project down the line?

Ed Ollard: Yes, but probably focusing more at the moment on the governance bodies in the Lords. Just as we were about to take forward the third way forward with the QEII, in discussion with the wider membership, the covid pandemic broke, and that has definitely interfered with our ability to conduct that conversation with Members more broadly. I know that Sarah has plans to kickstart that as soon as possible. So yes, up to a point, but it has definitely been interfered with by covid.

Q80 **Mr Holden:** Are you concerned that peers might come to a different view to that of their friends down the corridor in the House of Commons?

Ed Ollard: The House of Lords agreed without a vote to the same resolution as the House of Commons did in 2018. The House of Lords has always been overwhelmingly supportive of the outlined plan and the vision delivering R&R. I have not heard any significant evidence to suggest that Members have substantially changed their views about that. The Commission, for example, is hugely supportive of R&R.

Q81 **Mr Holden:** Is that perhaps on the basis of them moving to the QEII, rather than anywhere further afield?

Ed Ollard: The current assumption is that they are moving to the QEII—absolutely.

Q82 **Mr Holden:** Dr Bengier, as far as the House of Commons goes, are you satisfied that Members are fully across, aware of and happy with what is going on at the moment?

Dr Bengier: I am satisfied that we have made progress, but no, I think we have a way to go, as Sarah was saying. The strategy for Member engagement and consultation is a little way behind, and certainly was not helped by the covid pandemic. It is really crucial, because a lot of the questions we have had have been about how the Sponsor Body can stop Parliament from interfering and constantly changing the brief. You will have seen as a Committee the damage that is done when briefs are endlessly changed, and how costs escalate. That is part of the same process. If the engagement and consultation process works well and is transparent, that mitigates the risk of Parliament feeling that something is being done to it without its consent.



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There is a way to go. The Commission has been briefed, and I know there was a big effort put in early on after the election to engage with newly elected Members, but that work has been interrupted, and I think we are all agreed that there is a lot more to be done there.

- Q83 **Mr Holden:** As a newly elected Member, I certainly feel a little bit like that, especially after the debate last week, which was rather time-limited. Are you concerned about the difference between the Lords and the Commons, if it looks like things are going to change within what has been accepted to date?

Dr Bengier: It is certainly a risk, obviously. The project is much easier if we have consensus, but we have to respect the constitutional separateness of each House. It is not as if the Commons team just tells the Lords what to do.

It is worth reflecting a little bit on the Sponsor Body. There is a danger of us thinking of this as being them and us. They are also us. Ed and I sit on the Sponsor Board. A high proportion of that board is made up of Members of each House, covering the different political views. It is not in opposition to what is going on. Hopefully it will work with the grain.

- Q84 **Mr Holden:** I have a couple of final questions. Dr Bengier, since all this kicked off in 2012 with the previous feasibility study, we are on our third Prime Minister and we have had four general elections. The entire basis for it seems very much to be a 4% margin in votes that took place. If we look at paragraph 1.12 of the Report, we see there was a majority of 16 for the options back in January 2018, before the last general election. The composition of the Commons changed yet again substantially at the general election. Are you not concerned that this is by far the biggest threat to the entire project—Members deciding it is too complicated and too long?

Dr Bengier: You touch on a really important point, and you are right that the composition of the House has changed. It is at least arguable that the current membership would have made a different decision than the previous membership did on the options before them at the time. That is acknowledged, and one of the functions of the strategic review will be to engage with that difference and try and take stock of where the Houses are. Ultimately, the Houses themselves will have to decide. That is the important point. Under the legislation that Parliament passed, there will be a key decision point—we have talked it about it already—when we get to the outline business base, and that will be informed by the strategic review. You are absolutely right; we are at a critical moment, and I think Sarah would agree that one of the functions of the strategic review is to acknowledge that.

- Q85 **Mr Holden:** Finally, Ms Johnson, your role in the Sponsor Body and the role of the Delivery Authority all hangs on the will of Parliament. How can we ensure that the buy-in that you have had so far for this project continues, and that the structures that we have in place continue throughout—certainly until we get to that business case position?



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Sarah Johnson: As I said previously, we need to continue to work to engage with Members and staff in both Houses, so that, as you say, we all feel part of this. It is our job to deliver R&R for the benefit of those in the building today, and very much for the future. Particularly over the next few months, we need to demonstrate our professionalism and capability, and we need to build trust with both Houses that we are doing the right things for the programme, are making evidence-based assessments, and are managing our budgets appropriately. That, I think, is a huge part of winning the trust of both Houses, such that when we come forward with our outline business case for decision, there is a level of confidence that we have gone through a proper and robust process.

The other component to that, which we touched on earlier, is the overall narrative for the restoration and renewal programme. Why is it so important; why do these works need to happen; why is it urgent; why is it essential and not something that could just be left for another day?

Mr Holden: I am one of the new Members who has been into the underground gubbins of the building and seen the fire hazards—the high-voltage cables next to the gas mains, etc. I am convinced of it. You are probably quite lucky that you have got a Parliament with a majority among the MPs at the moment, and that the key decisions will probably be made in this Parliament, particularly around the business case, so I would urge you to engage with my new colleagues as quickly and as much as possible, to convince them, as I am convinced, that this work needs to happen.

Chair: Thank you very much, Mr Holden. Sir Geoffrey Clifton-Brown.

Q86 **Sir Geoffrey Clifton-Brown:** I would just like to go back to Ian Ailles, please. We need to have an accurate record, Ian. The litigation on the Elizabeth Tower scaffolding was mentioned. Can you just confirm what the outcome of that was, please?

Ian Ailles: Sir Geoffrey, I don't have that directly to hand. I will be happy to provide that to the Committee. We certainly were working with the scaffolders on that, and ended up with a settlement, but I haven't got the exact detail.

Q87 **Sir Geoffrey Clifton-Brown:** Chair, I don't know whether you wanted me to clarify the issue of the protocols with Ms Johnson, but I am going to anyway. When you established the protocols that I was asking about, under what circumstances did you envisage both Houses being able to alter the scope of the project once it had been voted on by Parliament? In other words, what really strategic event would be acceptable to alter the remit that you were given?

Sarah Johnson: That is a very good question.

Sir Geoffrey Clifton-Brown: Maybe I should ask the two Clerks.

Sarah Johnson: It is something that I think I would need to think about, rather than coming up with an answer off the top of my head, but it



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clearly would need to be a very significant event in order for us to consider changing the scope.

- Q88 **Sir Geoffrey Clifton-Brown:** I am sorry, Ms Johnson; that was perhaps an unfair question for you. Mr Ollard, in terms of the House of Lords, what would the answer to that be?

Ed Ollard: You are asking us to look so far into the future as to not really provide you with anything very helpful. I think the important thing is there is something in the Act. There is a mechanism in the Act that enables those sorts of crisis events, or those really significant changes in circumstance, to be reflected, as there are processes that enable the more iterative discussion between the two Houses and the sponsor and, indeed, the Delivery Authority to take place. The aim is obviously to reach an outcome which suits everybody. This is not simply, "It's over to you, Sponsor Body. Go and deliver!"; there is a continuing conversation all the time. As you say, if events change very significantly, there is a mechanism there for the two Houses to intervene to stop it or to alter the course.

- Q89 **Sir Geoffrey Clifton-Brown:** Dr Bengier, do you have anything to add?

Dr Bengier: I would simply quote the Act, Sir Geoffrey, which refers to "proposals that the Sponsor Body considers would significantly affect the design or timing of Palace restoration works". I agree that is quite a broad definition, but it at least gives us something to go on.

- Q90 **Chair:** I have a few quick-fire questions, which need a quick answer. First, Ms Johnson, we were talking about recruitment earlier. On the staff posts for engagement that Sir Geoffrey was talking about—the public and other engagement—have they all been filled yet?

Sarah Johnson: Not yet, no.

- Q91 **Chair:** What is the plan for filling them? What is the timeframe?

Sarah Johnson: The vast majority of them are in the recruitment process now, so by the autumn, I hope.

- Q92 **Chair:** Has the Ministry of Defence car park situation been resolved? I think I go to Ian Ailles first.

Ian Ailles: Yes, we have an agreement with the Ministry of Defence.

- Q93 **Chair:** Fantastic. That is good progress since I last talked to you about that.

Dr Bengier, your predecessor was very trenchant, when he appeared before a predecessor Public Accounts Committee, about the challenges of working in an environment where asbestos is flying around and a lot of major building works are going on. You spoke about how positions may have changed—positions will always change—between elections. Have you got a personal view? How do you feel about running this building with major works going on, given that you have corporate responsibility for the Commons end of the building?

Dr Bengier: I always try not to have personal views in this job—

Chair: But you are the accounting officer, and ultimately responsible for the health and safety of everyone working here, so it is important to know your views.

Dr Bengier: I quite agree. I will cover a couple of things, if I may. I think Ian said earlier that we were doing our best to mitigate nugatory costs, but in a sense the additional work that we are doing on maintenance—keeping this failed and failing building going—is a nugatory cost, because if we could push on with the core restoration and renewal works, we would not need to do it. For example, the fire safety and improvement works are costed at over £140 million in the current budget; those works may be nugatory to some extent—some of that work will just be removed and ripped out when the Palace is restored. That is an example of how doing nothing is very expensive—something I note as accounting officer.

The other issue is safety on the estate. We are doing our best; we are absolutely committed to doing the maximum to preserve safety of life on the estate. To give you the example of the fire safety works, that is what they are about; they are to permit the safe evacuation of the estate, but not to prevent the building burning down if a large fire took hold.

Stone falls are another area of concern. I think we have had at least eight stone falls around the estate. We have been lucky, frankly, so far that no one has been seriously injured or killed as a result. We are having to do quite a lot of work—you can see it around the estate—to mitigate the damage if there are stone falls in the areas where we know the stonework is faulty. So it does concern me that we keep going on for a long period in a building that in many ways is not fully fit for purpose.

There are other things we all know if we work in the Palace. I had a very large mouse scampering across the floor just yesterday. It seems odd that we cannot get on with fixing a building that really does seem to be struggling. I have done that basement tour, as I know many members of the Committee have done. One thing that unites almost all Members is a real desire to preserve this building. However it is done, whatever the process or wherever we decant to, this building badly needs fixing and restoring. I would say that, and I would be trenchant to that extent.

Q94 **Chair:** In a sentence, your professional view as accounting officer is—

Dr Bengier: The building is badly in need of restoration and renewal.

Chair: And we should not be unnecessarily delaying, is what you are basically saying.

Dr Bengier: Delay is expensive and has an element of risk.

Q95 **Chair:** Just one quick thing to Sarah Johnson. You said earlier that there will be a range of views. Obviously, in this place, there will always be a range of views and you will never please everybody. A tip from us to you is that if you are going to try and get 100% agreement on everything, that is a hiding to nothing; that is why we have votes here. Can I just check what the deadline for submissions to the review is, so we can all be



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clear on when we can submit them by?

Sarah Johnson: It is 7 August. The details are all on our website, or I am happy to follow up with Members separately.

Chair: So it is 7 August for anyone to submit any information or evidence to you. Thank you very much indeed for your time.