



Finance Committee

Minutes

Tuesday 7 March at 12.30pm in Committee Room 4A

Present:

Lord Vaux of Harrowden (Chair)
Lord Altrincham
Earl of Courtown
Lord Davies of Brixton
Lord Lee of Trafford
Lord Reay
Lord Stoneham of Droxford
Lord Tomlinson

together with the House of Commons Finance Committee.

Simon Burton (Clerk of the Parliaments), Fehintola Akinlose (Finance and Procurement Director) and Andy Helliwell (Chief Operating Officer) were also in attendance. Tom Hyner (Commercial Director) and Jimi Ogunfuwa (Commercial Director) attended for item on the Commercial Blueprint; Jenni Singleton (Client Team Business Case Director), Matt White (Delivery Authority Programme Director), Phil Hall (Client Team Head of Finance) and Tanya Coff (Delivery Authority Finance Director) attend for the item on Restoration and Renewal; and Bev Weston (Director of Commercial Investment) attended for the item on the Masterplan Report.

Apologies

The Chair welcomed members to the third joint meeting of the two Committees. The Chair reminded members that although the Committees were meeting together, the two Committees remained separate bodies and as such any decisions would require separate decisions to be taken by each Committee.

Apologies had been received from Lord Kennedy of Southwark and Lord Levene of Portsoken.

Adoption of a new Commercial Blueprint F/22-23/40 RESTRICTED

The Commercial Directors introduced the paper; the Parliamentary Commercial Directorate (PCD), formerly known as the Parliamentary Procurement and Commercial Service, was a bicameral department based in the House of Lords. A number of recommendations in relation to PCD had been made in the Morse report.

The paper the Committees had received set out the future operating model and strategy for endorsement. Engagement had taken place with stakeholders across Parliament in developing the Blueprint. The plan required more resource in order to be able to transact more quickly and intelligently. The Blueprint would go to the Lords Management Board and Commons Executive Board for approval in the coming months.

An additional 20 members of staff were required to service the Blueprint, recruitment had started for these posts, using a new rewards structure. The additional resource would increase capacity, expertise, and knowledge of specialist areas. The new rewards package was expected to be competitive; the Commercial Directors were also engaging with current staff and HR to ensure the talent already in the business was retained. The current recruitment campaign was being conducted using an external agency.

In response to a question, the Commercial Directors confirmed that the assessment of PCD in Morse had been accurate; the service had historically purchased effectively but there was room to develop and improve the services around that. Progress would be benchmarked against the Government Commercial Function standards alongside the recommendations in Morse.

The **REDACTED** budget included uplift for the additional posts, recruitment costs and the implementation of a fit-for-purpose integrated sourcing and contract management software solution. Such a solution was commercially available and would not require in-house development.

Members asked how PCD would ensure value for money was aligned to the wider market. The Committees were informed that PCD would undertake regular price benchmarking. The additional resource would also allow for procurements to be conducted differently, using dynamic purchasing systems and auction pricing to ensure ongoing competitive tension in contracts.

Jimi Ogunfuwa, Works Commercial Director, would chair the Commercial Assurance Board, having previously done a similar role at the Department for Transport. The Committees were informed that the proposed changes had been well received at all levels of the organisation.

The Committees each endorsed the Commercial Blueprint. The Chair noted the significant progress that had already been made in PCD and thanked the Commercial Directors and their team.

Restoration and Renewal: progress update and Palace of Westminster restoration options F/22-23/41 RESTRICTED

Before the item began it was noted that the Chairs of both Finance Committees sat on the Client Board and Nigel Evans MP, as Chair, and Mark Tami MP both sat on the Programme Board.

The paper was part of a wider consultation with several Committees from both Houses. The Chair commented that the paper contained a wide range of high level options, which he felt was difficult for members to provide useful feedback on.

The Committee was updated that the Client Board and Programme Board were both now operational and the Client Team was now a joint department of the two Houses. A lot of work had continued despite the change in governance. The move in-house had meant that the Client Team was able to work more closely with Parliamentary colleagues, including on

the Masterplan and Victoria Tower project, and benefit from lessons learnt on previous projects.

An ambitious decision timeline was in place, down-selection of the options was due to take place in June and a shortlist of preferred options would go to the Client Board before the summer recess. The Committee noted the importance of options put forward being based on sufficient evidence to make them robust and stated that if the timescale to agree options by the end of the year appeared at risk, this should be flagged as early as possible. Engagement with members would take place throughout the process. This would include 1-2-1 interviews with members, and a targeted approach to ensure a broad range of opinions were heard. There would also be opportunities for staff to engage with plans.

With all the options set out in the paper there would be trade-offs with cost, time and space. For example, delivering a high level of accessibility across the Palace would result in a reduction in usable space overall. Members raised other restoration projects such as Buckingham Palace and questioned what could be learnt from those experiences.

The Committee was informed that the programme engaged regularly with ParliAble in considering accessibility for members, staff and visitors. The Committees were reassured that security was also a factor in considering the most suitable options for the delivery of the programme.

The Committee took note of the update.

Masterplan Report update F/22-23/42 [RESTRICTED: FOR COMMITTEE USE]

The Director of Capital Investment introduced the paper, the Masterplan and Development Framework brought together the strategic requirements of both Houses when considering how the Estate would develop over the next 30 years. The business of Parliament was at the heart of the plans. 52 guiding principles had been developed which projects would be assessed against. Where projects did not adhere to the guiding principles they would be required to explain why, non-adherence would not automatically mean the project would not go ahead. The Masterplan was not a decision making tool but would support decision making.

The Committees discussed a number of specific matters in relation to the Masterplan including: the Education Centre; Holocaust Memorial; Westminster Bridge; Abingdon Green Car Park; College Green; and the Parliament Square Streetscape Project.

The Committee took note of the update.

Any other business

The Chair noted that the joint meetings were still a new concept, and any feedback was welcomed.

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

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