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Committee of Public Accounts

Restoration & Renewal of the Palace of Westminster – 2023 Recall

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2022–23**

*Report, together with formal minutes relating
to the report*

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The Committee of Public Accounts

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Summary

The Palace of Westminster, an iconic UNESCO world heritage site of great historical, cultural and political significance, remains in serious need of restoration and renewal. However, despite broad consensus on the critical nature of this work for almost 25 years, progress has been painfully slow. With Parliament spending up to £2 million a week patching up the Palace, and a growing list of health and safety incidents, there is a real and rising risk that a catastrophic event will destroy the Palace before it is ever repaired and restored.

Recently, after years of procrastination, and parliamentary decisions being reopened, Parliament and the House Authorities have introduced significant changes to the previously agreed programme at pace. They must now maintain this momentum to have a fighting chance of achieving an extremely ambitious programme timetable. At the end of 2023, Parliament will decide on an option for undertaking the work and then further work will be done on what the restored Palace will look like.

We were encouraged to see that the Clerk of the House of Commons and the Clerk of the Parliaments (for the House of Lords) finally seem to acknowledge publicly the enormity of this task, for which they are now personally accountable, and the challenges ahead. In our previous two reports, we have highlighted that Parliament needs to clarify its requirements; progress essential related projects; and improve engagement with Members of Parliament, staff, and the public. To date there has been particular focus on Members of Parliament rather than the thousands of staff and visitors who use the building.

Experience to date shows that these enduring challenges will not be easy to overcome. The new governance structure, which brings Parliament closer to the programme, may mitigate some risks but these arrangements remain untested. For progress to be made Parliament still needs to agree what a restored palace might look like, and how work will be undertaken. Without this steer, the cost and timeframe for the work will remain uncertain. It is incredible that five years after the House determined a course of action that these questions remain unanswered. The cost of renewal will be high but further delays are hugely costly to the taxpayer – lack of action is not value for money. We hope that Members of Parliament will grasp the scale and importance of what needs to be done and that they will take the opportunities offered to engage in consultations and inform themselves so that they can agree and collectively support a way forward for the programme.

The Clerks are now legally responsible for the building works alongside their existing accountability as corporate and accounting officers. And yet, if asked to do something they considered to be unwise or not value for money there is no mechanism, short of resignation, for them to place their professional concerns on record or to alert Members of Parliament. Such a mechanism should exist, possibly akin to an accounting officer in a government department seeking a ministerial direction.

The Clerks and the newly created R&R Client Team within the House Administrations, need to build confidence in their ability to deliver a programme of this magnitude and complexity. To do so, timely transparency and compliance with health and

safety protocols, particularly around asbestos, needs to urgently improve before more significant works and potentially more serious incidents occur. Without Parliament and the public having confidence, these critical works will continue to stall, leading to potentially catastrophic consequences for a much-treasured iconic building and continuing risks to those working inside.

Introduction

After more than two decades of discussion, in 2017 the House of Commons voted to renew the Palace of Westminster and its facilities and in 2019 Parliament formally passed legislation to create a Sponsor Body, overseeing a Delivery Authority, responsible for restoring and renewing the Palace (the programme).

On 1 January 2023, following debates in both Houses, a statutory instrument implementing significant changes came into effect. As a result, Parliament has now abolished the Sponsor Body with the Clerk of the House of Commons and Clerk of the Parliaments taking joint accountability for restoring and renewing the Palace. It has established the R&R Client team to support the Clerks and hold the Delivery Authority, which continues its role, to account. Parliament also created a two-tier governance structure comprising a Client Board to make strategic choices and recommendations to a Programme Board.

Following the Commissions' proposal to change the programme in March 2022, the Sponsor Body paused working on a business case. Before the end of 2023, the R&R Client Team expects to return to Parliament and agree a way forward for the programme. It will then develop a more detailed business case.

Conclusions and recommendations

1. **During 2022 some critical programme changes were made at pace, but significant challenges still need to be addressed for progress to be made.** After the House Commissions issued their joint statement on proposed changes to the programme in March 2022, the R&R Client Team introduced these changes within 12 months. This included gaining Parliamentary support for a new statutory instrument. Looking ahead, the R&R Client Team plans to present Parliament with strategic options in December 2023, then a business case for their approval in 2024 or 2025, depending on the next general election. The witnesses recognised that this timetable is ambitious, particularly given the need to build support across Parliament which had been a challenge for the Sponsor Body. For example, the Commissions previously paused the Sponsor Body’s work following concerns over the options and indicative costs. The pace of progress will impact the House Authorities’ work to maintain the Palace. They currently expect to spend up to £2 million a week on maintenance, with over 27 critical works projects being undertaken within the Palace itself. Nevertheless, the Palace may not be preservable should a catastrophic event occur and the Clerks told us they do not know how long the Palace would remain standing without critical work taking place.

Recommendation 1: *The Clerks should:*

- a) *set out the interim milestones they must meet to achieve the December 2023 timeframe for presenting initial options to Parliament, and then an outline business case in 2024 or 2025, to effectively assess the risks of not meeting these dates.*
 - b) *ensure that ongoing maintenance works do not cross purposes with the restoration and renewal works with the full portfolio of works on the Palace representing value for money.*
2. **There remains a lack of clarity over what a restored Palace will look like, and how it will be delivered, which makes the programme currently extremely difficult to cost with any certainty.** In June 2022 we highlighted how critical value for money risks, which we had previously identified in October 2020, remained. This included securing Parliament’s agreement on how work should be undertaken and what the restored Palace should look like. This had created considerable uncertainty and significantly contributed to delays over the years, and the programme’s top risk is the ability of politicians to take the necessary decisions. Further uncertainties remain around the Palace’s condition – the House Authorities spent nearly three times more than expected renewing the Elizabeth Tower as they did not understand its underlying condition and did not reflect this in cost estimates. During the last 12 months, the Delivery Authority has continued surveys and is considering a pilot to better understand uncertainties.

Recommendation 2: *The Delivery Authority should:*

- a) *Present cost and time estimates in ranges, which will narrow over time as uncertainties reduced, and set out the built-in assumptions behind how estimates have been generated.*

- b) *Report back on progress with the potential ‘R&R pilot’ and how this has impacted the assumptions underlying the programme.*
3. **Transparency will be critical to facilitate accountability, and for Parliament and the public to gain confidence in the programme and its leadership.** The current Client Board, alongside the Programme SRO, identified previous parliamentary engagement as having been insufficient. For example, in June 2022 we reported how the Commissions requested further information and re-opened parliamentary decisions. But the detailed reasons behind this decision were not public. The R&R Client Team has committed to greater transparency over progress and decision-making through a more focused engagement approach with Members and, as agreed following our previous recommendations, publishing quarterly progress reports. It will increase engagement leading up to critical decisions that both Houses will need to make on how the works will be undertaken. These decisions will need to be made in the context of an approaching election and affordability constraints across government, and without fully understanding programme costs or where Parliament will move during the works.

Recommendation 3: *The Clerks must commit to:*

- a) *Fulfilling commitments made to this Committee in 2022 which include publishing an annual performance report providing a timely and accurate programme overview.*
- b) *Improving member engagement, which will include managing their expectations on the information that will be available to make decisions at these early programme stages.*
4. **It is unclear how the Clerks will manage their legal responsibilities to the programme alongside those to individuals working in and visiting the Palace.** From January 2023 the Clerks, acting jointly, have overall responsibility for the parliamentary building works. They acknowledge their new legislative responsibilities which they will be required to fulfil alongside existing responsibilities as corporate and accounting officers to Parliament. We have previously recommended that the Clerks should set out how they would approach the challenge of being asked to do something they considered to be unwise or not value for money, for example through laying a statement akin to a ministerial direction. The Clerk of the Commons told us the Speaker of the House of Commons would be content with such a process. However, no equivalent process has been identified for the Clerk of Parliaments and it is unclear how this process will practically work. The Clerks could be put in an untenable position if, for example, they were asked to ensure Members could access certain parts of the Palace during restoration and renewal works and they could not guarantee their personal safety.

Recommendation 4: *The Clerks of the House of Commons and House of Lords need to set out the:*

- *circumstances in which they would use something akin to a ministerial direction; and*

- *the practical process they would follow should they be asked to do something which causes a conflict between their respective legal responsibilities.*
5. **Compliance with health and safety protocols, in particular reporting asbestos incidents, remains unsatisfactory.** The Clerks have personal responsibility for the health and safety of those working and using the Palace. To fulfil this responsibility, they will rely on others, such as contractors working within the Palace to follow expected processes and meet any requirements. Following our June 2022 report, the Clerks agreed they needed to improve health and safety incident processes, and said they had reviewed and updated Parliament’s safety escalation arrangements. However, despite the Clerks’ reassurances, existing processes are not operating effectively. For example, in September 2022 a contractor did not inform the Clerks of an asbestos incident or limit the dangers as quickly as expected. Fortunately, the asbestos discovered on that occasion in a roof void was not dislodged, but it could easily have been broken up as the contractor drilled through to gain access. This would have resulted in a far more serious incident. To help mitigate these risks, the Clerks have appointed a new Health and Safety Director and have been compiling an incidents database.

Recommendation 5: Before embarking on the more substantial R&R works, the Clerks must set out how they will reiterate the importance to contractors of their responsibilities and contractual requirements, particularly concerning the timeliness and accuracy of reporting, and what they will do to hold them to account for meeting these responsibilities.

1 Progressing the works

1. Following our previous reports on the restoration and renewal of the Palace of Westminster (the Palace), we took evidence from the Programme SRO and Head of the R&R Client team, the Delivery Authority Chief Executive, the Clerk of the House and the Clerk of the Parliaments.

2. In spring 2020, the Parliamentary Buildings (Restoration and Renewal) Act 2019, created a Sponsor Body, overseeing a Delivery Authority, responsible for a Restoration and Renewal Programme (the programme). This followed almost two decades of discussion and, in 2019, Parliament passing legislation to progress the renewal of the Palace of Westminster and its facilities.¹ In March 2022, following concerns over the Sponsor Body’s emerging costs and timeframes and the programme governance, the House of Commons and House of Lords Commissions issued a joint statement proposing to abolish the Sponsor Body and change the approach.² There was little public information about how and why this decision was made.

3. On 1 January 2023, following debates in both houses, a statutory instrument implementing significant changes came into effect. As a result, Parliament has now abolished the Sponsor Body, with the Clerk of the Commons and Clerk of the Parliaments taking joint accountability for restoring and renewing the Palace. Within the House Administrations it has established a new joint department of both Houses, referred to as the R&R Client Team, with staff transferring from the Sponsor Body.³ The team will support the Clerks and hold the Delivery Authority, which continues its role, to account. Parliament also created a two-tier governance structure comprising a Client Board, bringing together the House Commissions, to make strategic choices and recommendations to a Programme Board. This will comprise parliamentary and non-parliamentary members and provide the main decision-making forum.⁴

4. Before the end of 2023, the R&R Client Team expects to return to Parliament and agree a way forward for the programme. It will then present a business case to Parliament for approval in 2024 or 2025 setting out the preferred option for undertaking the work and what the restored Palace will look like.⁵ Following the Commissions’ proposal to change the programme in March 2022, the Sponsor Body paused working on a business case, which subsequently stopped a large amount of the Delivery Authority’s work. In May 2022, the Clerks told us they had written to the Sponsor Body asking them to undertake only options-neutral work which would add value regardless as to what future option chosen.⁶

Condition of the Palace of Westminster

5. In 2020, this Committee reported significant concerns with the Palace’s condition, which continued to be badly in need of repair with Parliament having talked about

1 Committee of Public Accounts, Nineteenth Report of Session 2019–21, [Restoration and renewal of the Palace of Westminster](#), HC 549, 2 October 2020

2 [Joint statement from the House of Commons and House of Lords Commissions](#), 18 March 2022

3 [The Parliamentary Works Sponsor Body \(Abolition\) Regulations 2022](#)

4 [Joint report from the House of Lords and House of Commons Commissions](#), 14 June 2022

5 Qq 18–19

6 Committee of Public Accounts, Tenth Report of Session 2022–23, [Restoration and renewal of the Palace of Westminster](#), HC 49, 29 June 2022

significant works for over 20 years. The maintenance approach was unsustainable, with every week of delay to work resulting in significant costs to the taxpayer and putting the safety of employees and visitors at risk.⁷ At our February 2023 session, witnesses described continuing worries, which led to health and safety risks alongside periodic failures in building services. They recognised that building systems such as heating, ventilation, drainage and electrical systems, were out of date and needing replacing.⁸

6. The Clerks have legal responsibility for the safety of those working and using the Palace and the wider estate.⁹ The Clerk of the House of Commons told us he was very clear that eventually there will be ‘catastrophic and irreversible damage to the Palace’ if decisions continue to be deferred. Both Clerks were uncertain how long the Palace could continue to be used in its current condition.¹⁰ For example, the Palace does not have robust systems to stop fire spreading, and while the Clerks remain confident that the Palace could be cleared to minimise the risk to human life,¹¹ the building itself would be unlikely to be preserved. Since 2016, there have been 44 fire incidents across the parliamentary estate, with fire described as the ‘foremost risk’ to preserving the Palace for future generation.¹²

7. The House Administrations undertake maintenance works across the parliamentary estate. The Clerks told us maintenance costs totalled approximately £2 million per week, with the House Administrations spending around £100 million a year.¹³ The sheer quantity of building and maintenance work currently being undertaken was staggering with 4,000 maintenance or reactive maintenance calls a month. Alongside this the House Administrations are managing 42 projects to repair the estate, 27 of which are in the Palace.¹⁴ Over recent years projects have included spending £140 million on temporary fire safety improvements and £8 million on temporary sewerage.¹⁵

8. Asbestos remains a serious and pressing concern for those who live and work in the Palace and wider parliamentary estate – since 2016 there have been 8 asbestos incidents.¹⁶ The Chief Executive of the R&R Delivery Authority informed us asbestos could perhaps be found at 2,500 sites, including within inaccessible areas such as pipe lagging, ducts and voids. Removing asbestos from the Palace could require an estimated 300 people working for two and a half years while the site was not being used.¹⁷ The Delivery Authority continues to undertake work to fully understand the type and distribution of asbestos throughout the Palace but does not expect to be able to fully catalogue its existence prior to any restoration work commencing.¹⁸

7 Committee of Public Accounts, Nineteenth Report of Session 2019–21, [Restoration and renewal of the Palace of Westminster](#), HC 549, 2 October 2020

8 Q 2

9 Qq 37–38

10 Q 2

11 Q 1

12 Qq 3, 35

13 Q 61

14 Q 26

15 Committee of Public Accounts, Nineteenth Report of Session 2019–21, [Restoration and renewal of the Palace of Westminster](#), HC 549, 2 October 2020; Committee of Public Accounts, Tenth Report of Session 2022–23, [Restoration and renewal of the Palace of Westminster](#), HC 49, 29 June 2022

16 [Letter from Sir John Bengier](#), 1 February 2023; [Letter from Sir John Bengier 29 March 2022](#)

17 Qq 11–12

18 Q 47

9. To fulfil their statutory responsibilities, the Clerks rely on others, such as contractors working within the Palace to follow expected processes and meet standards.¹⁹ As the Clerks have outlined previously, they have established dedicated processes to help them report and manage serious events where asbestos has been discovered or disturbed.²⁰ In July 2022, the Clerks wrote to us setting out how they had reviewed and updated safety escalation processes and committed to improve how they were operating. This followed us challenging the Clerks in March and May 2022 on the failure of a contractor to report an asbestos incident in a timely manner. Although the site was immediately closed, there were delays informing the Clerks, alongside the 117 people potentially exposed to asbestos, of the incident.²¹

10. Since then, there have been two further asbestos incidents, one of which the Clerks accepted had not been handled appropriately. In September 2022 a contractor did not inform the Clerks of an asbestos incident or limit the dangers as quickly as expected. Fortunately, the asbestos discovered, on that occasion in a roof void, was not dislodged, but it could easily have been broken up as the contractor drilled through to gain access. This would have resulted in a far more serious incident.²² The Clerks have subsequently shared with us results from their assessment which found that whilst no ill health was foreseeable as a result, the matter was taken very seriously. It was used as an opportunity to learn from mistakes and continuously improve the management of asbestos across the parliamentary estate. The Clerks assured us that additional training and a review of procedures will be undertaken.²³

11. Managing the safety of the Palace remains a top priority for the Clerks and House Administrations.²⁴ As they have been unhappy about the treatment of several safety issues, which also includes 12 instances of falling masonry, and given an increase in the volume of maintenance work, the Clerks have considered the structure of their safety teams and recently appointed a new Health and Safety Director.²⁵ They, along with an additional six safety professionals appointed in the last 12 months, will have operational oversight for construction and maintenance safety management alongside the existing team.²⁶ The Clerks also explained to us how they were more robustly compiling safety incidents through a dedicated database. However, the Clerk of the House of Commons recognised that he did not yet feel confident that safety structures were robust enough.²⁷

Establishing new programme governance

12. Following the House Commissions issuing a joint statement proposing changes to the approach and governance of the restoration and renewal programme in March 2022, the statutory instrument introducing these changes came into effect on 1st January 2023. Between these dates, the House Commissions issued a joint report, drawing on advice from an independent review panel, and both Houses of Parliament debated the

19 Q 25

20 Q 21

21 Committee of Public Accounts, Tenth Report of Session 2022–23, [Restoration and renewal of the Palace of Westminster](#), HC 49, 29 June 2022

22 Qq 17, 23

23 [Letter from Sir John Benger](#), 27 February 2023

24 Q 24

25 Q 3

26 Qq 3, 26

27 Q 24

potential changes at least once. The House Administrations also worked to set up revised governance arrangements, with the new Client Board, which brings together the two Commissions to make strategic choices and recommendations, holding its first meeting in October 2022. Also, the membership of a new Programme Board, the main forum for programme decision-making, was formally agreed by the Houses in February 2023. It held its first meeting at the end of the month.²⁸

13. During this time, the House Administrations also worked to transition from the former Sponsor Body into the R&R Client Team. We have previously highlighted the risk that delays to changing the programme governance, and continuing uncertainty, could lead to a loss of vital capability from within the Sponsor Body and Delivery Authority.²⁹ The Clerks had committed to work on retaining and recruiting the staff it needed, with Sponsor Body staff being TUPE'd across.³⁰ Although the House Administrations have made progress bringing the Sponsor body staff 'in-house', the reset resulted in the entire leadership team of the Sponsor Body leaving.³¹ In terms of filling these gaps, the programme SRO told us that success recruiting to a number of roles, such as business case director and Head of Risk, had been mixed. She described it as not being easy to fill these roles, with some feedback that people had been put off by the uncertain and political nature of the programme.³² However, the Delivery Authority Chief Executive told us that although he had been very concerned that, given the programme's change in direction, people would leave, he was pleased this risk had not materialised. He highlighted though that the risk was still there.³³

14. The Clerk of the Commons told us he felt that the governance was in as good a place as it could be, but recognised that this is a critical year for the programme. Managing the risks to the timetable will be vital to maintain the programme's momentum,³⁴ and the next significant step in this ambitious timetable will be for the R&R Client Team to present Parliament with a strategic case by the end of 2023. Following a steer from the Programme Board, this would be a high-level assessment of options, with designs and indicative costs and timings, so Parliament could decide on one preferred option to take forward. Subsequently, sometime during 2024 or 2025, depending on the timing of a general election, the R&R Client Team will then present Parliament a more specific, costed piece of work to vote on in a more conventional manner which will then potentially lead to work being started.³⁵ Before the R&R Client Team presents a business case substantial volumes of work will need to be conducted to develop options and evaluation criteria, undertake evaluations and progress this work through the current governance structures.³⁶

28 Hansard Volume 827, [Restoration and Renewal Programme Board](#), 22 February 2023

29 Committee of Public Accounts, Tenth Report of Session 2022–23, [Restoration and renewal of the Palace of Westminster](#), HC 49, 29 June 2022

30 [Response to Committee of Public Accounts](#) Tenth Report of Session 2022–23, Restoration and Renewal of the Palace of Westminster

31 Q 102

32 Q 106

33 Q 108

34 Qq 108, 113; [Joint letter to PAC from the Clerks, Delivery Authority CEO and Sponsor Body CEO, 31 October 2022](#)

35 Qq 18–19

36 Qq 44, 55

Uncertainty over the programme

15. In 2020 we highlighted how the Programme is made ever-more complex by the number of uncertainties which underpin it, including the condition of the building, interdependencies with other parliamentary building projects, the lack of consensus over where Parliamentarians and staff will relocate to while the work is undertaken, and what people want from a modern parliament building.³⁷ In 2022, we further reported how these critical uncertainties impacting the value for money risks remained.³⁸

16. The Programme SRO outlined how, given the uncertainties, the Delivery Authority had worked up 30 options to help provide the evidence needed for decision-making. This analysis showed that how the programme was conducted, and on what timescale, had a much greater impact on the cost than scope decisions. Also, approximately 80% of the overall cost related to irreducible safety-critical works, with ‘nice to haves’ therefore only representing a relatively small portion.³⁹

17. The scope of the work, in terms of what a restored Palace would look like and how work would be undertaken, remains uncertain. We asked the Programme SRO about the risk of Parliament being unable to decide how to reduce the programme scope by the end of 2023. She told us that the ability of politicians to make decisions was the “top risk on our risk register.”⁴⁰ In 2020, we raised the ability to reach decisions as a risk – at that time the former Sponsor Body had not made it clear how it would balance Parliament’s range of views on the programme.⁴¹ The Sponsor Body had previously been provided a vision, or broad range of underlying strategic themes, to develop as part of the business case. This included improving disabled access; installing new fire safety systems; repairing and conserving the Palace and creating a building that ensures efficient and responsible resource consumption.⁴²

18. The Clerk of the House of Commons told us that resolutions passed by Parliament were unrealistic. There will be unavoidable trade-offs between cost, accessibility and sustainability. For example, the Commissions set out health and safety as their primary commitment but to meet sustainability expectations there will be additional costs and compromises over how space used. Also, ‘bold claims’ have been made relating to the removal of asbestos that will have a significant additional impact on cost, while attempts to make the building fully accessible would be “staggeringly expensive” despite consensus of the need for a ‘step-change’ in accessibility.⁴³

19. The Delivery Authority continues to undertake intrusive surveys to understand as much as possible prior about the Palace before carrying out works. It has compiled over 1,750 technical reports on different aspects of the building. We were told that these will not finish prior to work commencing and that issues will continue to be discovered during the

37 Committee of Public Accounts, Nineteenth Report of Session 2019–21, [Restoration and renewal of the Palace of Westminster](#), HC 549, 2 October 2020

38 Committee of Public Accounts, Tenth Report of Session 2022–23, [Restoration and renewal of the Palace of Westminster](#), HC 49, 29 June 2022

39 Q 120

40 Q 120

41 Committee of Public Accounts, Nineteenth Report of Session 2019–21, [Restoration and renewal of the Palace of Westminster](#), HC 549, 2 October 2020

42 C&AG’s report, [Palace of Westminster Restoration and Renewal Programme](#), HC 315, Session 2019–2021 24 April 2020

43 Q 110

building phase.⁴⁴ Any cost estimates will therefore include significant uncertainty with true costs impossible to forecast accurately due to, for example, asbestos or unexpected archaeological finds.⁴⁵ In 2020, the National Audit Office reported how in refurbishing the Elizabeth Tower, the House Administrations then estimated the final cost would be £80 million, compared to the £29 million forecast in the business case that was approved in 2016; a rise of 176%. Reasons for the cost increase included subsequent surveys identifying that more work needed to be done, and the Tower's full condition not being identifiable until work started.⁴⁶ In February 2022, the Clerks told us the forecast final cost is now about £86 million, with £83 million spent to date.⁴⁷

20. To date, the Delivery Authority has spent £270 million, with much of this on developing the previous schemes and preparing the business case prior to the programme being paused in 2022. It is now developing a wider range of options for how restoration and renewal will be undertaken.⁴⁸ In response to uncertainty, the Delivery Authority is undertaking work to identify a discrete part of the Palace where it could conduct a pilot project. This would be a way to learn about the multiple challenges work would face, and the Clerk of the House felt could also support attempts to engage parliamentarians and the general public in terms of, 'winning hearts and minds' by being able to show a before and after picture.⁴⁹

44 Q q 46, Q47

45 Q55

46 C&AG's report, [Palace of Westminster Restoration and Renewal Programme](#), HC 315, Session 2019–2021, 24 April 2020

47 Q 57

48 Q 44

49 Q 113

2 Transparency & accountability

Transparency over progress and decision-making

21. This Committee has often set out the significant benefits of transparency for supporting accountability over decision-making, alongside updating and engaging Parliament and the public on progress across critical major programmes. Transparency will also be critical for Parliament and the public to gain confidence in a programme and its leadership, as endorsed by the Infrastructure and Projects Authority, which is the government’s major projects centre of expertise.

22. In our 2021 report drawing together lessons from numerous programmes we specifically highlighted the importance of Parliament’s own restoration and renewal programme being an exemplar of an open and transparent programme which welcomes scrutiny.⁵⁰ The Delivery Authority Chief Executive commented that “Transparency in reporting is a very powerful and important tool. Many people in projects and programmes find it difficult, but I think it is actually helpful and beneficial to have visibility and scrutiny.”⁵¹ Following our June 2022 report the Clerks, former Sponsor Body and Delivery Authority Chief Executive accepted our recommendation to report regularly to Parliament on progress, describing how they would continue to publish quarterly progress reports and engage regularly to share information.⁵²

23. The Clerk of the House of Commons described how restoration and renewal of the Palace would be a ‘hard sell’ to the public. Prior to the reset of the programme, the Sponsor Body estimated that works would cost between £7 billion to £13 billion if the Palace decanted, lasting between 19 to 28 years; and £22 billion under continued presence, which could take up to 76 years.⁵³ However, witnesses suggested that the public’s support and love for the Palace was high. The Programme SRO described how their public polling showed 75% to 80% support for the building, which the public could separate from their views of government and politics. She suggested they would need to ‘trust the public’ but it is unclear to what extent support will continue as programme costs rise and issues potentially surface.⁵⁴ We have previously reported that the former Sponsor Body had not engaged sufficiently with the public and other Palace users to understand what they wanted from a modern Parliament building. We recommended that members of the public are properly informed about the Programme and can contribute their views.⁵⁵

24. Members of both Houses play a critical role in approving the forward direction of the programme. Back in 2020, we highlighted the challenges in building consensus across parliamentarians, which continues to be a significant risk.⁵⁶ The Clerk of the House of

50 Committee of Public Accounts, Thirty-ninth Report of Session 2019–21, [Lessons from major projects and programmes](#), HC 694, 29 January 2021

51 Q 123

52 [Response to Committee of Public Accounts](#) Tenth Report of Session 2022–23, Restoration and Renewal of the Palace of Westminster

53 Committee of Public Accounts, Tenth Report of Session 2022–23, [Restoration and renewal of the Palace of Westminster](#), HC 49, 29 June 2022

54 Q 89

55 Committee of Public Accounts, Nineteenth Report of Session 2019–21, Restoration and renewal of the Palace of Westminster, HC 549, 2 October 2020

56 Committee of Public Accounts, Nineteenth Report of Session 2019–21, Restoration and renewal of the Palace of Westminster, HC 549, 2 October 2020; C&AG’s report, [Restoration and Renewal of the Palace of Westminster: Progress Update](#), HC1016, Session 2021–22, 21 January 2022

Commons also highlighted the challenges presented by Parliaments not being able to bind their successors. As such, he could not be wholly confident in what the respective Houses would decide on any given issue.⁵⁷

25. In terms of parliamentary engagement, the Programme SRO identified this as an area where the Sponsor Body had previously not done enough.⁵⁸ In October 2022, the newly established Client Board acknowledged that engagement had not been sufficient, with a new approach and greater collaboration needed.⁵⁹ This was also recognised by the Sponsor Body itself, with former Chair describing fundamental challenges around identifying the ‘client’ and the need for senior political figures to be more involved to drive decision taking and achieve consensus.⁶⁰

26. We have previously seen the importance of getting senior political stakeholders on side. We reported that in February 2021, upon considering findings from a strategic review, the Commissions agreed the Sponsor Body could spend up to £5 million to carry out further work to fully understand the costs, time and other implications of restoration and renewal works being undertaken while a presence was maintained in the Palace. Parliament had previously endorsed legislation requiring Parliament to decant during the works, which was set out in the legislation in 2019.⁶¹ In February 2022, one week after they had received the provisional cost and schedule estimates requested, the House of Commons Commission proposed significant changes to the Programme, endorsed by the House of Lords Commission. The Delivery Authority told us that, as a result, it paused developing the business case. In May 2022, the Clerks told us that they had written to the Sponsor Body asking them to undertake only options-neutral work which would add value regardless of what future option is chosen.⁶²

27. The Programme SRO recognises that to achieve the ambitious timetable, the R&R Client Team will need to improve its parliamentary engagement.⁶³ The Programme SRO and Delivery Authority Chief Executive envisage that recent governance changes will lead to more political ownership, and therefore engagement, across Parliament as decision-makers including the Speakers and House Leaders will be more involved in the process.⁶⁴ However, all witnesses also reinforced the need to get Member engagement right, crucial over the next year.⁶⁵ The R&R Client Team will be leading the engagement to find out what Members feel, what they think might be acceptable and what matters to them. The Programme SRO recognised their engagement plans as ambitious, requiring lots of work particularly in the run-up to significant decisions. This included planning more focused engagement using existing communication networks, targeted one-to-one Member briefings and liaising with parliamentary committees.⁶⁶

57 Q 113

58 Q 86

59 [Restoration and Renewal Client Board meeting](#), 17 October 2022

60 [Letter](#) from Liz Peace, Chair of Sponsor Body December 2022

61 C&AG’s report, [Restoration and Renewal of the Palace of Westminster: Progress Update](#), HC1016, Session 2021–22, 21 January 2022

62 Committee of Public Accounts, Tenth Report of Session 2022–23, [Restoration and renewal of the Palace of Westminster](#), HC 49, 29 June 2022

63 Q 86

64 Qq 82–83, 86

65 Qq 62, 83, 86

66 Q 82

28. In 2020, the NAO reported that to reduce the likelihood of previous decisions being reopened, decisions should be based on the best available evidence, be transparent and make clear the cost and timing implications of alternatives.⁶⁷ We challenged the witnesses on the extent and depth of information that would be available for Parliament decide on which strategic option to take forward at the end of 2023. They recognised how parliamentarians may find it hard to make early strategic decisions without details on the cost and time for different options.⁶⁸ From the responses given, we remain unclear that the information provided, including on where the Houses could move to during the works, will be sufficient for Parliament to make a decision on which option to develop into a business case.⁶⁹ In terms of decant options, the Chief Executive of the Delivery Authority agreed that there were significant risks around developing decant options, and that Members would need clarity on these to engage fully with the programme. The wide range of options being considered to undertake the work would each impact the temporary accommodation differently. Decisions on the decant accommodation would soon become part of the critical path.⁷⁰

Legal responsibilities of the Clerk to the Commons and Clerk to Parliament

29. On 1 January 2023, the Parliamentary Works Sponsor Body (Abolition) regulations 2022 came into effect. These set out that the Corporate Officers of the Houses would, acting jointly, “have overall responsibility for the Parliamentary building works.”⁷¹ The Sponsor Body’s previous responsibilities, as set out in previous legislation, will also be relevant including to prepare a strategy for consulting Members of Parliament; funding the Delivery Authority and overseeing their activities; determining the strategic objectives of the building works; and promoting public understanding of the purpose of the works.⁷² Before these changes, the Clerks’ were to engage the House of Lords and House of Commons Commissions and represent their views to the Sponsor Body. They had an agreement with the Sponsor Body to provide a formal mechanism for consultation and cooperation.⁷³

30. When we last reported on restoration and renewal in June 2022, we were concerned that the Clerks may have felt constrained in sharing their professional views, as accounting officers, on what the restoration and renewal programme could deliver.⁷⁴ In addition, the Clerks will need to balance their accountabilities to the programme alongside those they hold as Corporate Officers to the Houses. These responsibilities include protecting the personal safety of those working in and using the Palace, which the Clerk of the Parliaments described as ‘working on a building site.’⁷⁵

31. The Clerks recognise the significance of the responsibilities they now hold and the complexities they face when fulfilling and balancing these respective responsibilities.

67 C&AG’s report, [Palace of Westminster Restoration and Renewal Programme](#), HC 315, Session 2019–2021, 24 April 2020

68 Q 60

69 Qq 60–63, 115

70 Qq 115 – Q120

71 The Parliamentary Works Sponsor Body (Abolition) Regulations 2022

72 [Parliamentary Buildings \(Restoration and Renewal\) Act 2019](#)

73 C&AG’s report, [Palace of Westminster Restoration and Renewal Programme](#), HC 315, Session 2019–2021 24 April 2020

74 Committee of Public Accounts, Tenth Report of Session 2022–23, [Restoration and renewal of the Palace of Westminster](#), HC 49, 29 June 2022

75 Q 38

They felt it was conceivable that they would be asked to do something they felt unwise or disastrous value for money,⁷⁶ and in such an event the Clerks could be put in an untenable position. For example, we were told that the Clerks would have powers to close parts of the Palace from the general public should safety concerns escalate to the point that it was no longer viable to allow access. They could not however, prevent Members from accessing the Palace but may retain corporate responsibility if an incident occurred. Should Members access the building while Corporate Officers had closed the site to all other users, they could seek only to resist any claim for compensation on the grounds that a Member had acted voluntarily at their own risk and contrary to advice given.⁷⁷

32. There is currently no formal process in place should the Clerks be requested to do something they felt did not align with their respective responsibilities. For example, the Clerks cannot overrule the restoration and renewal Client Board or the Programme Board, but retain accountability for any decisions taken (whether or not they disagree). We have previously reported how government has in place processes for accounting officers to assess delivery risks, and seek a ministerial direction should they consider what they are being asked to do is undeliverable.⁷⁸ There is no procedure akin to the Ministerial Direction the Clerks could apply.

33. The Clerk of the House of Commons suggested that where there was a real abuse of procedure, there would be value to him being able to put this on record through placing a letter in the Library. He mentioned how the Speaker of the Commons recognised the value of introducing such a procedure.⁷⁹ However, in response the Speaker does not have authority to provide the Clerk with a letter of direction, effectively authorising him to take action beyond his responsibilities. It remained unclear how decisions could be overridden. Also the Clerks had not considered how a similar process could be undertaken for the Clerk to the Parliaments.⁸⁰

34. We have previously expressed concern that the Clerks do not have the expertise or the capacity to successfully oversee a large infrastructure project of this cost and complexity. Their previous experience overseeing work on, for example, Elizabeth Tower shows how challenging this can be, with renovation set to cost £86 million, compared with the original £29 million budget.⁸¹ We questioned the Clerks on the skills they felt they would need to have accountability for a unique programme of this size and complexity. The Clerks told us they recognised the differing skillsets, and had recently appointed staff to support them in delivering their responsibilities. This included a new director general (operations) within the House of Commons administrations and a chief operating officer within the House of Lords administrations.⁸² Shortly after our evidence session, the Clerk of the House of Commons, Sir John Benger, announced his intention to step down from his post in the autumn of 2023.

76 Q 64

77 Qq 75, 76, 98

78 Committee of Public Accounts, Twenty-Eight Report of Session 2022–23, [Improving the Accounting Officer Assessment process](#), HC43, 30 November 2022

79 Qq 64–65

80 Qq 65, 66–79

81 Committee of Public Accounts, Tenth Report of Session 2022–23, [Restoration and renewal of the Palace of Westminster](#), HC 49, 29 June 2022

82 Q28 & Q31

Formal minutes

Monday 24 April 2023

Members present:

Dame Meg Hillier

Mr Jonathan Djanogly

Mr Louie French

Peter Grant

Anne Marie Morris

Sarah Olney

Nick Smith

Restoration & Renewal of the Palace of Westminster – 2023 Recall

Draft Report (*Restoration & Renewal of the Palace of Westminster – 2023 Recall*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 34 read and agreed to.

Summary agreed to.

Introduction agreed to.

Conclusions and recommendations agreed to.

Resolved, That the Report be the Fifty-second of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Adjournment

Adjourned till Wednesday 26 April at 9.30am.

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Thursday 2 February 2023

Sir John Benger KCB, Clerk of the House, House of Commons; **Simon Burton**, Clerk of the Parliaments, House of Lords; **David Goldstone CBE**, Chief Executive, Palace of Westminster Restoration and Renewal Delivery Authority; **Dr Patsy Richards**, Interim Chief Executive, Palace of Westminster Restoration and Renewal Sponsor Body

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List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

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2nd	Lessons from implementing IR35 reforms	HC 60
3rd	The future of the Advanced Gas-cooled Reactors	HC 118
4th	Use of evaluation and modelling in government	HC 254
5th	Local economic growth	HC 252
6th	Department of Health and Social Care 2020–21 Annual Report and Accounts	HC 253
7th	Armoured Vehicles: the Ajax programme	HC 259
8th	Financial sustainability of the higher education sector in England	HC 257
9th	Child Maintenance	HC 255
10th	Restoration and Renewal of Parliament	HC 49
11th	The rollout of the COVID-19 vaccine programme in England	HC 258
12th	Management of PPE contracts	HC 260
13th	Secure training centres and secure schools	HC 30
14th	Investigation into the British Steel Pension Scheme	HC 251
15th	The Police Uplift Programme	HC 261
16th	Managing cross-border travel during the COVID-19 pandemic	HC 29
17th	Government's contracts with Randox Laboratories Ltd	HC 28
18th	Government actions to combat waste crime	HC 33
19th	Regulating after EU Exit	HC 32
20th	Whole of Government Accounts 2019–20	HC 31
21st	Transforming electronic monitoring services	HC 34
22nd	Tackling local air quality breaches	HC 37
23rd	Measuring and reporting public sector greenhouse gas emissions	HC 39
24th	Redevelopment of Defra's animal health infrastructure	HC 42
25th	Regulation of energy suppliers	HC 41
26th	The Department for Work and Pensions' Accounts 2021–22 – Fraud and error in the benefits system	HC 44
27th	Evaluating innovation projects in children's social care	HC 38

Number	Title	Reference
28th	Improving the Accounting Officer Assessment process	HC 43
29th	The Affordable Homes Programme since 2015	HC 684
30th	Developing workforce skills for a strong economy	HC 685
31st	Managing central government property	HC 48
32nd	Grassroots participation in sport and physical activity	HC 46
33rd	HMRC performance in 2021–22	HC 686
34th	The Creation of the UK Infrastructure Bank	HC 45
35th	Introducing Integrated Care Systems	HC 47
36th	The Defence digital strategy	HC 727
37th	Support for vulnerable adolescents	HC 730
38th	Managing NHS backlogs and waiting times in England	HC 729
39th	Excess Votes 2021–22	HC 1132
40th	COVID employment support schemes	HC 810
41st	Driving licence backlogs at the DVLA	HC 735
42nd	The Restart Scheme for long-term unemployed people	HC 733
43rd	Progress combatting fraud	HC 40
44th	The Digital Services Tax	HC 732
45th	Department for Business, Energy & Industrial Strategy Annual Report and Accounts 2021–22	HC 1254
46th	BBC Digital	HC 736
47th	Investigation into the UK Passport Office	HC 738
48th	MoD Equipment Plan 2022–2032	HC 731
49th	Managing tax compliance following the pandemic	HC 739
50th	Government Shared Services	HC 734
51st	Tackling Defra’s ageing digital services	HC 737
53rd	The performance of UK Security Vetting	HC 994
1st Special Report	Sixth Annual Report of the Chair of the Committee of Public Accounts	HC 50

Session 2021–22

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1st	Low emission cars	HC 186
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3rd	COVID-19: Support for children’s education	HC 240
4th	COVID-19: Local government finance	HC 239
5th	COVID-19: Government Support for Charities	HC 250

Number	Title	Reference
6th	Public Sector Pensions	HC 289
7th	Adult Social Care Markets	HC 252
8th	COVID 19: Culture Recovery Fund	HC 340
9th	Fraud and Error	HC 253
10th	Overview of the English rail system	HC 170
11th	Local auditor reporting on local government in England	HC 171
12th	COVID 19: Cost Tracker Update	HC 173
13th	Initial lessons from the government's response to the COVID-19 pandemic	HC 175
14th	Windrush Compensation Scheme	HC 174
15th	DWP Employment support	HC 177
16th	Principles of effective regulation	HC 176
17th	High Speed 2: Progress at Summer 2021	HC 329
18th	Government's delivery through arm's-length bodies	HC 181
19th	Protecting consumers from unsafe products	HC 180
20th	Optimising the defence estate	HC 179
21st	School Funding	HC 183
22nd	Improving the performance of major defence equipment contracts	HC 185
23rd	Test and Trace update	HC 182
24th	Crossrail: A progress update	HC 184
25th	The Department for Work and Pensions' Accounts 2020–21 – Fraud and error in the benefits system	HC 633
26th	Lessons from Greensill Capital: accreditation to business support schemes	HC 169
27th	Green Homes Grant Voucher Scheme	HC 635
28th	Efficiency in government	HC 636
29th	The National Law Enforcement Data Programme	HC 638
30th	Challenges in implementing digital change	HC 637
31st	Environmental Land Management Scheme	HC 639
32nd	Delivering gigabitcapable broadband	HC 743
33rd	Underpayments of the State Pension	HC 654
34th	Local Government Finance System: Overview and Challenges	HC 646
35th	The pharmacy early payment and salary advance schemes in the NHS	HC 745
36th	EU Exit: UK Border post transition	HC 746
37th	HMRC Performance in 2020–21	HC 641
38th	COVID-19 cost tracker update	HC 640

Number	Title	Reference
39th	DWP Employment Support: Kickstart Scheme	HC 655
40th	Excess votes 2020–21: Serious Fraud Office	HC 1099
41st	Achieving Net Zero: Follow up	HC 642
42nd	Financial sustainability of schools in England	HC 650
43rd	Reducing the backlog in criminal courts	HC 643
44th	NHS backlogs and waiting times in England	HC 747
45th	Progress with trade negotiations	HC 993
46th	Government preparedness for the COVID-19 pandemic: lessons for government on risk	HC 952
47th	Academies Sector Annual Report and Accounts 2019/20	HC 994
48th	HMRC's management of tax debt	HC 953
49th	Regulation of private renting	HC 996
50th	Bounce Back Loans Scheme: Follow-up	HC 951
51st	Improving outcomes for women in the criminal justice system	HC 997
52nd	Ministry of Defence Equipment Plan 2021–31	HC 1164
1st Special Report	Fifth Annual Report of the Chair of the Committee of Public Accounts	HC 222

Session 2019–21

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1st	Support for children with special educational needs and disabilities	HC 85
2nd	Defence Nuclear Infrastructure	HC 86
3rd	High Speed 2: Spring 2020 Update	HC 84
4th	EU Exit: Get ready for Brexit Campaign	HC 131
5th	University technical colleges	HC 87
6th	Excess votes 2018–19	HC 243
7th	Gambling regulation: problem gambling and protecting vulnerable people	HC 134
8th	NHS capital expenditure and financial management	HC 344
9th	Water supply and demand management	HC 378
10th	Defence capability and the Equipment Plan	HC 247
11th	Local authority investment in commercial property	HC 312
12th	Management of tax reliefs	HC 379
13th	Whole of Government Response to COVID-19	HC 404
14th	Readying the NHS and social care for the COVID-19 peak	HC 405

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15th	Improving the prison estate	HC 244
16th	Progress in remediating dangerous cladding	HC 406
17th	Immigration enforcement	HC 407
18th	NHS nursing workforce	HC 408
19th	Restoration and renewal of the Palace of Westminster	HC 549
20th	Tackling the tax gap	HC 650
21st	Government support for UK exporters	HC 679
22nd	Digital transformation in the NHS	HC 680
23rd	Delivering carrier strike	HC 684
24th	Selecting towns for the Towns Fund	HC 651
25th	Asylum accommodation and support transformation programme	HC 683
26th	Department of Work and Pensions Accounts 2019–20	HC 681
27th	Covid-19: Supply of ventilators	HC 685
28th	The Nuclear Decommissioning Authority's management of the Magnox contract	HC 653
29th	Whitehall preparations for EU Exit	HC 682
30th	The production and distribution of cash	HC 654
31st	Starter Homes	HC 88
32nd	Specialist Skills in the civil service	HC 686
33rd	Covid-19: Bounce Back Loan Scheme	HC 687
34th	Covid-19: Support for jobs	HC 920
35th	Improving Broadband	HC 688
36th	HMRC performance 2019–20	HC 690
37th	Whole of Government Accounts 2018–19	HC 655
38th	Managing colleges' financial sustainability	HC 692
39th	Lessons from major projects and programmes	HC 694
40th	Achieving government's long-term environmental goals	HC 927
41st	COVID 19: the free school meals voucher scheme	HC 689
42nd	COVID-19: Government procurement and supply of Personal Protective Equipment	HC 928
43rd	COVID-19: Planning for a vaccine Part 1	HC 930
44th	Excess Votes 2019–20	HC 1205
45th	Managing flood risk	HC 931
46th	Achieving Net Zero	HC 935
47th	COVID-19: Test, track and trace (part 1)	HC 932
48th	Digital Services at the Border	HC 936

Number	Title	Reference
49th	COVID-19: housing people sleeping rough	HC 934
50th	Defence Equipment Plan 2020–2030	HC 693
51st	Managing the expiry of PFI contracts	HC 1114
52nd	Key challenges facing the Ministry of Justice	HC 1190
53rd	Covid 19: supporting the vulnerable during lockdown	HC 938
54th	Improving single living accommodation for service personnel	HC 940
55th	Environmental tax measures	HC 937
56th	Industrial Strategy Challenge Fund	HC 941